

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

[Lexington, South Carolina]

HEARING # 11-11215

JULY 13, 2011

6:00 P.M.

DOCKET NO. 2011-47-WS:

CAROLINA WATER SERVICE, INC. - Application for an Increase in Rates for Water and Sewer Services Provided to All Service Areas in South Carolina

**TRANSCRIPT OF TESTIMONY
AND PROCEEDINGS**

VOLUME 1

HEARING BEFORE: John E. 'Butch' HOWARD, *CHAIRMAN*, David A. WRIGHT, *VICE CHAIRMAN*; and COMMISSIONERS Elizabeth B. 'Lib' FLEMING, G. O'Neal HAMILTON, Randy MITCHELL, Swain E. WHITFIELD, and Nikiya 'Nikki' HALL

ADVISOR TO COMMISSION: B. Randall Dong, Esq.

STAFF: Jocelyn G. Boyd, Chief Clerk/Administrator; Joseph Melchers, Chief Counsel; James Spearman, Executive Assistant to Commissioners; William O. Richardson, Advisory Staff; and Jo Elizabeth M. Wheat, CVR-CM-GNSC, Court Reporter; Colanthia Alvarez, Hearing Room Assistant

APPEARANCES:

SCOTT ELLIOTT, ESQUIRE, representing CAROLINA WATER SERVICE, INC., APPLICANT

NANETTE S. EDWARDS, ESQUIRE, representing THE OFFICE OF REGULATORY STAFF

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

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P R O C E E D I N G S

CHAIRMAN HOWARD: I'll now call this hearing to order. I want to thank all of you for taking your time to be here tonight. It's an important issue and we're looking forward to hearing what you have to say.

My name is Butch Howard, and I'm chairman of the Public Service Commission. I represent the First Congressional District. And at this time I'd like to introduce my fellow Commissioners. And I apologize for the Charleston brogue. If you have any trouble with translational, let me know.

[Laughter]

On my far left is Commissioner O'Neal Hamilton; Commissioner Lib Fleming; the vice chair of the Commission, David Wright; Commissioner Swain Whitfield; Commissioner Nikki Hall; and Commissioner Randy Mitchell. And again, thank you all for being here. We're looking forward to hearing your input.

At this time I'll turn it over to Attorney Dong to read the docket.

MR. DONG: Good evening. Can you hear me out there?

VOICES: No.

1 **MR. DONG:** How about this, is it better?

2 **VOICES:** Yes.

3 **MR. DONG:** All right. My name was Randall
4 Dong and I'm the lawyer for the Commission tonight.
5 I'm going to recognize the folks who are here.
6 These are folks that you'll get familiar with
7 through the hearing. Mr. Scott Elliott is the
8 lawyer for the company.

9 **MR. ELLIOTT:** [Indicating.]

10 **MR. DONG:** Ms. Nanette Edwards from the Office
11 of Regulatory Staff.

12 **MS. EDWARDS:** [Indicating.]

13 **MR. DONG:** And with her is Mr. Willie Morgan,
14 who is the water specialist with the ORS.

15 And this is, as we've said, the local public
16 hearing for Docket No. 2011-47-WS, the application
17 of Carolina Water Service for approval of an
18 increase in rates for water and sewer services.

19 And this is an essential part of our hearing
20 process. This has been noticed to the public. And
21 we're going to have the merits hearing in this case
22 on Wednesday, September 7, 2011, at 10:30 a.m., in
23 the Commission's offices. And the Commission will
24 render a decision in this case on or before October
25 15, 2011.

1 Now, we're going to go through and try to be
2 as orderly as we can. We will call each of you by
3 name, and when you're called, if you're going to
4 testify you will be sworn just as though you were
5 in court. Everything that you say is going to be
6 transcribed by the court reporter, Ms. Jo Wheat.
7 She's over here [indicating]. And please speak up
8 and speak into the mike when you come, because
9 she's got to provide us with a transcript. This
10 will be just like a court hearing, just as though
11 you came to Columbia.

12 Now, each person will be given the opportunity
13 to testify one time. So if you choose to testify
14 here, we would ask that you not testify at the
15 hearing in Columbia, in September.

16 We also are aware that lots and lots of people
17 are interested, obviously -- with all these people
18 here -- and we've got a timer. We're going to ask
19 the folks who want to testify to please adhere to a
20 time limit. We're going to limit each speaker to
21 five minutes.

22 If someone who has testified before you has
23 said what you want to say, it's perfectly
24 acceptable, when I call you, to say that you want
25 to adopt their testimony or that what you needed to

1 say has been said. So that will give as many
2 people as we can an opportunity to speak -- as many
3 people who want to.

4 Now, this is not really a time -- it's not a
5 time at all, to ask the Commissioners questions.
6 The Commissioners are here to listen. They are
7 here to take note of your concerns. But the law
8 prohibits the Commission from having a dialogue --
9 I mean, they'll ask you some questions to get your
10 testimony on the record, perhaps, but it's not a
11 time for you to ask the Commission questions. If
12 you have concerns specific to your accounts, you
13 can talk to the Commission -- to the company's
14 lawyer or to the Office of Regulatory Staff's
15 lawyer after the hearing, and they'll be happy to
16 take your comments and listen to your concerns.

17 And I think that will pretty well cover what I
18 have to say about this.

19 **CHAIRMAN HOWARD:** Thank you, Attorney Dong.
20 Let me go over a few other things with you.
21 Attorney Dong said when you get through testifying,
22 you'll have an opportunity -- ORS will have an
23 opportunity to ask you questions, as will the
24 company, as will the Commissioners. Particularly
25 in all cases we might not ask questions. Don't

1 take this as indifference on our part because
2 you've pretty well presented your case and we
3 understand it. There might be a few questions from
4 Commissioners on certain things if they don't
5 understand or have something they want to follow
6 up. But don't take it as indifference if we don't
7 ask questions, because we are here to hear you.
8 This is your time, your show, and we're interested
9 in what you have to say.

10 And also, as Attorney Dong mentioned, you're
11 in a great position. If you've got an individual
12 problem, an individual issue, you couldn't be in a
13 better environment or forum because you have the
14 Office of Regulatory Staff, which represents the
15 public; you have the company here. So, you know,
16 if you've got an individual issue, you're in a
17 great place to have your problem resolved or at
18 least listened to by the heads of the company and
19 the attorneys.

20 With that, I'd like to take this opportunity
21 to introduce -- though he needs no introduction,
22 but to welcome Senator Jakie Knotts. Senator
23 Knotts is the one who asked for this hearing, he's
24 the one who secured the place for us, and I
25 appreciate him being here. Senator Knotts.

1 **SEN. KNOTTS:** Thank you, Mr. Chairman and
2 Commissioners. I'm proud that you all came out to
3 our district out here to talk about this increase
4 in the water rates for this company. Been in the
5 Legislature for going on 18 years. I don't believe
6 I've ever appeared before y'all for anything in
7 those 18 years. I've had some concerns and you all
8 have always tried to address them, and some you
9 have addressed in the right way and some of them I
10 felt you addressed in the wrong way --

11 [Laughter]

12 -- but, they were addressed. And my reason
13 for being here today is, my people out here and the
14 people who are connected to Carolina Water Service
15 throughout this State, in the different areas, have
16 had problems with this company on numerous
17 occasions. I had two meetings out here in 2009
18 with the Carolina Water Service representatives and
19 Dukes Scott and his staff. And they looked into
20 the matters and we thought we was working good to
21 get things resolved, and I just want to tell you
22 that your staff has done a great job in trying to
23 assist people out here, in trying to get things
24 worked out.

25 But the Office of Regulatory Staff presented

1 their review of the Carolina Water Service at that
2 time, and in 2010 the Office of Regulatory Staff
3 again cited Carolina Water, which is based out of
4 Chicago and has no physical presence in South
5 Carolina, and they cited them for disconnecting
6 water service to customers who were not in arrears,
7 for failure to bill customers, for overcharging
8 customers, and failure to refund overcharges. And
9 many of these people that's in this room here
10 tonight was at those meetings, and they are here to
11 verify what I'm saying, if you need to verify it.
12 But your staff can verify it, because I have here
13 in my hand a little research done [indicating].
14 I've got every complaint to this company. And many
15 of the people in here --

16 [Applause]

17 -- many of the people in here's complaint that
18 -- actual complaint that's been filed against this
19 company, is in this book: their names, their
20 address, and what the complaint was. And like I
21 said, it is a very thick, thick notebook. And I
22 think that whenever you look at that, you'll find
23 that the reason these people are here are very
24 valid tonight. And they're valid because of the
25 fact that they have concerns and they need this

1 Commission to recognize their concerns and to deny
2 the increase that they are asking for.

3 An 80 percent increase in water rates to a
4 company that's doing a good job and not having the
5 -- over 223 complaints, I think it is. Now if you
6 had a company here that had very few complaints,
7 these people wouldn't be here tonight -- probably
8 not for the reason that they're here, but they
9 would be here for maybe the exorbitant amount of 80
10 percent of an increase, because that's a lot of
11 money these days and times. But to a company
12 that's got this many complaints, not based in South
13 Carolina, not even having a presence here where
14 they can call and get some results, and every time
15 you call the company it is, "Well, it's on a
16 computer system that we have just recently put in
17 and it's some kinks that we're trying to get out,"
18 and we've heard that --

19 [Laughter, applause]

20 We've heard that till we are tired of hearing
21 about it.

22 **VOICE:** Amen.

23 **SEN. KNOTTS:** You know, if you're not going to
24 do a good job and it's costing you too much money
25 to do business in South Carolina, then sell the

1 company and get out of here.

2 [Applause]

3 Our people can't bear the cost or bear the
4 burden of bad management, if that's the cause of
5 it, or lines that's not been replaced when they
6 needed to be replaced, poor management. The people
7 here don't need to be bearing that burden. They
8 need to be taking and doing that in the company.

9 The thing that I'm concerned about is the fact
10 that this company has been a problem for a while.
11 It's not just something that just started. And it
12 don't look like it's going to get any better. I
13 haven't seen any attempt to try to correct the
14 problems, except pass it on to the water customer.
15 And if you check the amount of money that we're
16 talking about here, we're talking about \$35, I
17 think it is, per customer, on a water rate.

18 [Indiscernible speech/utterance(s) from
19 audience]

20 In addition. I'm talking about in addition to
21 the amount that they're paying now. So we're
22 talking about -- based on the information that I
23 have here, they requested an 80 percent increase in
24 water rates and a 14 percent increase in sewer
25 rates.

1 A typical water bill is \$35.94 and would
2 increase --

3 [Indiscernible speech/utterance(s) from
4 audience]

5 -- would increase to \$65.30 a month. But if
6 you go and talk to the people that actually use the
7 water -- now that's the information that y'all
8 have, that that's what the rate increases would go
9 to and that that would be the typical water rate.
10 But if you ask these people -- and I've talked to
11 them, and you'll see here in these complaints
12 that's filed with your all's office, that's been
13 corrected -- I had one lady here, I think at the
14 last meeting, had over a \$700 water bill.

15 **VOICE:** That would be me.

16 [Laughter]

17 **SEN. KNOTTS:** Okay. Right, I recognize you.
18 But I mean, she had over a \$700 water bill. I
19 don't care -- you can fill every swimming pool in
20 this area and you shouldn't have a \$700 water bill.
21 But, you know, it's things like that that you think
22 the increase is going to be just \$35, but with the
23 management that they have, and the computer -- it's
24 almost as bad as the State computer, that SCEIS
25 system.

1 **VOICE:** Amen.

2 **SEN. KNOTTS:** But the thing is, you're going
3 to blame it on the computer, or you're going to
4 blame it on the personnel, or blame it on the
5 people that was at their desk that didn't pass on
6 the information. That needs to be corrected before
7 you come here and ask for an 80 percent water rate.

8 The other thing that I'd like to say here --
9 and I know that my time is running out, but I'd
10 like to say \$35 extra a month, if that's what the
11 actual thing is going to be -- but it's not,
12 because a lot of these people have got a much
13 higher water bill than that, and they don't feel
14 like they consume that much water. But \$35 extra a
15 month, per household, which is being very
16 conservative, would result in an increase of more
17 than --

18 [Interruption, followed by a brief recess
19 necessitated by technical difficulties]

20 As I was saying before someone up above
21 recognized we had a problem with Carolina Water
22 Service --

23 [Applause]

24 -- an approximate \$35 extra per month per
25 household, which is being very conservative -- like

1 I said, a lot of these people have much higher
2 rates than that -- based on that will result in an
3 increase of more than \$283,000 a month for this
4 company, who has a history of poor service and
5 doesn't have any plan to correct it, that I know
6 of, collecting almost \$44½ million more a year from
7 the South Carolina customers. Now they've got
8 businesses in other states, too, but that's \$44½
9 million, based on that \$35 rate increase. This is
10 based on bills of much -- not very many people
11 didn't have a \$75-a-month bill, but -- and I'd like
12 to ask, how many people in here -- has anybody here
13 got a \$75-a-month bill?

14 VOICE: More.

15 VOICE: More.

16 VOICE: \$3,000 -- I mean 3,000 gallons.

17 SEN. KNOTTS: What I'm saying, has anybody
18 here got a --

19 VOICE: No.

20 SEN. KNOTTS: -- \$75-a-month bill?

21 VOICE: 3,000 gallons.

22 VOICE: And more.

23 VOICE: Very minimal use.

24 [Additional indiscernible

25 speech/utterance(s) from audience]

1
2 **SEN. KNOTTS:** What I'm trying to point out is,
3 there's nobody in this room that is, based on the
4 rate information that they gave y'all --

5 **VOICE:** Amen.

6 **VOICE:** That's right.

7 **VOICE:** That's right.

8 **SEN. KNOTTS:** -- is going to be getting it.
9 And the rate is going to be much more, which is
10 going to increase that \$44½ million much more from
11 the South Carolina customers that they serve.

12 And I'm going to give you a comparison. West
13 Columbia. Got water service all over this county
14 and in the Town of West Columbia. I'm going to
15 compare it to their rates. West Columbia in-town
16 water customers pay an average of \$12.15 a month
17 for water and sewer.

18 [Applause]

19 West Columbia out-of-town water customers,
20 which this would be classified, pay an average of
21 \$23 a month for water and sewer.

22 [Applause]

23 So there is a solution to this. If you can't
24 do business the way it should be done in South
25 Carolina, don't pass it on to the customers, pass

1 it on to another company that can do it and put the
2 reasonable rates. Just because they live in an
3 area that they've got a franchise on, it shouldn't
4 be that the -- they shouldn't be able to just rape
5 the customers. They need to go ahead and get the
6 things fixed or either sell the company, not come
7 to y'all to put the burden on our --

8 **VOICE:** Sell.

9 **SEN. KNOTTS:** -- water people.

10 **VOICE:** Sell.

11 [Additional indiscernible

12 speech/utterance(s) from audience]

13 **CHAIRMAN HOWARD:** Thank you, Senator Knotts.
14 In the audience is also Representative Rick Quinn
15 -- Representative Quinn.

16 Do you want to put that -- your complaint
17 record into the record of the case?

18 **SEN. KNOTTS:** Sure would.

19 **CHAIRMAN HOWARD:** Okay.

20 **SEN. KNOTTS:** Anybody here object to their
21 records being put in --

22 **VOICE:** No.

23 **VOICE:** God, no.

24 **SEN. KNOTTS:** There you go [indicating].

25 **CHAIRMAN HOWARD:** Senator Knotts' book of

1 complaints will be entered into the record as
2 Hearing Exhibit No. 1.

3 [WHEREUPON, Hearing Exhibit No. 1 was
4 marked and received in evidence.]

5 **CHAIRMAN HOWARD:** Representative Quinn, glad
6 to have you with us.

7 **REP. QUINN:** Well, thank you, Mr. Chairman.
8 This is my House District, and I do appreciate
9 y'all having the hearing -- the night hearing here
10 in District 69 and giving these folks an
11 opportunity to be heard.

12 I did want to make sure that, as I speak
13 tonight, I'm not precluding myself from speaking at
14 the September 7th hearing? Okay. I just want to
15 make sure, because at that point I feel like I
16 probably will give better comments and more --
17 lengthier comments.

18 But I would like to say two things very
19 quickly. Number one, anybody that didn't sign the
20 sheet back here [indicating] at the top -- not the
21 at the bottom of the stairs, but the one up here --
22 needs to make sure -- can you all hear me out
23 there?

24 **VOICES:** Yeah.

25 **REP. QUINN:** -- that you're signing the one

1 that's up here, because that's the one that's for
2 the official record. So make sure if you would
3 just to sign that one, as well, because that will
4 go into the record, as I understand it, for the
5 Commission and potentially any other court hearings
6 in the future. So make sure you all do that.

7 But secondly, I would --

8 **VOICE:** We can't hear you.

9 **REP. QUINN:** -- ask for you to really probe as
10 a Commission the whole issue of the bookkeeping and
11 the system, in terms of billing. I mean, there
12 have been -- there's a history of -- I mean, I've
13 been told of issues where they actually had
14 customers that were back-billed and they said,
15 "Well, we messed up your bill. We're going to
16 start billing you in arrears for things we missed."

17 **VOICE:** Yeah.

18 **REP. QUINN:** So as that develops, and as you,
19 as Commissioners, weigh the odds of what kind of
20 profit a company can make, they clearly have some
21 issues with bookkeeping that are continuing to be a
22 problem.

23 You know, there are -- any of these folks -- a
24 lot of them will tell you that they'll have usage
25 of one month that's pretty typical, and is the same

1 the next month but their bill goes up three or four
2 times that amount. So that clearly is an issue, I
3 think, that strikes to profitability of the
4 company, that I would ask you to consider as you
5 take this hearing forward.

6 The September 7th hearing, I'll be there, as
7 well, and I would really appreciate just to make
8 sure officially I can speak at more length at that
9 hearing. I think with the heat and the close
10 quarters, I'm going to speak very briefly, and then
11 I'll make a longer speech that night, if you don't
12 mind. But thank you for having the hearing.

13 **CHAIRMAN HOWARD:** Thank you for being here,
14 Representative Quinn.

15 [Applause]

16 I'll turn it over to Attorney Dong to call the
17 witnesses.

18 **MR. DONG:** The first witness on my list is
19 Jeff Jordan.

20 [Witness sworn]

21 THEREUPON came,

22 **J E F F J O R D A N ,**
23 who, having been first duly sworn, testified as follows:

24 **WITNESS:** Ladies and gentlemen, thank you very
25 much for having me. My name is Jeff Jordan. I

1 live in the Timbergate subdivision, about a mile
2 and a half from here. I've been a customer of
3 Carolina Water for 26 years. Of those 26 years,
4 whenever a rate hike was proposed, I have voiced
5 openly my objections and the objections of my
6 neighborhood to our legislators and the PSC and to
7 the company.

8 When I ran for a House seat here in District
9 69 some 12 years ago, the issue of fighting the
10 utilities -- and, namely, Carolina Water -- was my
11 primary campaign issue.

12 Today, perhaps unlike many who are here, I
13 come not to bury Caesar, but I come to praise them.
14 From a business perspective, Carolina Water in my
15 opinion is the most recklessly brilliant company --

16 [Laughter]

17 **VOICE:** Yeah.

18 **WITNESS:** -- that has ever been run. They
19 have a monopoly on their service with a captive
20 customer base of 11,000. They can only be asking
21 for this rate increase to maximize their portfolio
22 in preparation for a sellout.

23 Consider that for over the last 25 years at
24 every PSC hearing that you've had on rate increases
25 or at any kind of complaint that has been filed,

1 the same issues appear over and over and over
2 again: poor quality, high mineral content, poor
3 service, and inflated pricing. And over the last
4 25 years, nothing has happened to rectify those
5 problems.

6 My question has -- hasn't changed: Has
7 anything not changed? The pipes are patched, and,
8 yes, they need to be completely overhauled. But
9 shouldn't that have been done in their strategic
10 plan and in their operational plan of -- plan of
11 operations over the last 25 years? They have not
12 done that. In my neighborhood, pipes have busted
13 five times.

14 I'm not sure -- or, I'm sure others will tell
15 you that the impact in their lives, in this tough
16 economy, has -- how the disruptions in their
17 services have been too many, how the calls for
18 quality have been unanswered with rhetoric -- or
19 answered with rhetoric.

20 I have a letter to present to you from my
21 neighborhood association, that is signed by 63
22 percent of my neighbors, voicing the same concerns:
23 poor quality, poor service.

24 And so, I may leave you with just these two
25 words to remember about my speech: recklessly

1 brilliantly run. Thank you for your attention and
2 time in this matter.

3 [Applause]

4 **CHAIRMAN HOWARD:** Mr. Elliott, does the
5 company have any questions of Mr. Jordan?

6 **MR. ELLIOTT:** No questions. I just want to
7 thank Mr. Jordan for coming out tonight. It's
8 important to hear from him and everybody. And I
9 would mention, we've got a customer service table
10 set up downstairs in the lobby, and I invite Mr.
11 Jordan to take up -- raise any questions with
12 customer service; they're here.

13 [Laughter, indiscernible

14 speech/utterance(s) from audience]

15 And I might mention, too, while I have the
16 floor, I feel a little badly. I have an extra
17 chair here, Mr. Chairman. And I would offer it to
18 any of the ladies in the room. And if it's a
19 little too close to come, for comfort, to me, I
20 could impose on Mr. Richardson to carry it to them.

21 [Laughter]

22 But I do have a chair, and I do feel guilty
23 having it here. So if one of these ladies would
24 like to come up and sit, or we can get someone to
25 take the chair back?

1 **VOICE:** There's a pregnant lady there.

2 **CHAIRMAN HOWARD:** Ms. Edwards?

3 **VOICE:** The pregnant lady --

4 **VOICE:** The pregnant lady --

5 **VOICE:** -- right there, she needs it.

6 **VOICE:** -- down there.

7 **VOICE:** She needs it.

8 **VOICE:** She needs it.

9 [Laughter, indiscernible
10 speech/utterance(s) from audience]

11 **CHAIRMAN HOWARD:** Ms. Edwards.

12 **MS. EDWARDS:** Thank you, Mr. Chairman.

13 **CROSS EXAMINATION**

14 **BY MS. EDWARDS:**

15 **Q** Mr. Jordan, if I may impose upon you for just a few
16 questions.

17 **A** Sure.

18 **Q** I'm trying to develop the record, so I know you
19 mentioned poor quality, poor service. Can you give me
20 some examples? The case here is for the Test Year
21 September -- excuse me -- October 1, 2009, through
22 September 30, 2010. So, in particular, can you give me
23 examples of poor quality service in that time period?

24 **A** I can show you that the skin irritations on my arms and
25 legs have increased significantly because of the quality

1 of the minerals in the water. I can tell you that I
2 have two disposal units in my kitchen that have been
3 replaced because of the high mineral content in my
4 water. I can tell you that the neighborhood has had to
5 be patched four times -- has been patched over and over
6 and over again without any -- and in the same area, the
7 same spot. And I think that's on the records of their
8 service -- Carolina Water Service records. So you can
9 see that in my neighborhood, the kind of problems like
10 that.

11 **Q** Can you give me an approximate location of that
12 incident, or where that incident occurred with the
13 patch?

14 **A** 107 -- or, the Timbergate subdivision, which is at the
15 end of Oak Drive here, and you take a left on Mineral
16 Springs and it's about a half mile down, to your right.

17 **VOICE:** It's on the map.

18 **BY MS. EDWARDS:**

19 **Q** And I know you mentioned you live in the Timbergate
20 subdivision. Can I get your exact address, for the
21 record?

22 **A** Yes. 107 Timbergate Drive.

23 **Q** Okay. Thank you. And one of the other issues that
24 we've been looking at is billing. Have you received a
25 bill every month?

1 **A** Sometimes yes, sometimes not -- I mean, yes, to say I've
2 gotten a bill every month. Has it been accurate? No.
3 Has it been a double billing? Have I received two bills
4 in one month? Yes, I have. Have they been of different
5 values? Yes, ma'am, they have. So I'm just not sure
6 whether or not -- what's correct, so I just send money
7 in and they keep taking it. But, by and large, it is
8 confusing.

9 **Q** Okay. Just one moment.

10 Mr. Jordan, thank you, very much.

11 **A** Thank you.

12 **CHAIRMAN HOWARD:** Commissioners, any questions
13 of Mr. Jordan?

14 **COMMISSIONER MITCHELL:** I have one.

15 **CHAIRMAN HOWARD:** Commissioner Mitchell.

16 **EXAMINATION**

17 **BY COMMISSIONER MITCHELL:**

18 **Q** How you doing, Mr. Jordan?

19 **A** Fine, how are you?

20 **Q** My question is, during the test year or during any
21 reasonable time before or after, have you seen any
22 evidence that the company's spent any money as far as
23 upgrading lines or doing anything to help the situation
24 out here? Have you seen any evidence where there's been
25 money spent to upgrade?

1 **A** No, sir.

2 **Q** Not at all.

3 **A** None whatsoever.

4 **COMMISSIONER MITCHELL:** Thank you. That's all
5 the questions I have.

6 **CHAIRMAN HOWARD:** Commissioner Fleming.

7 **COMMISSIONER FLEMING:** Yes.

8 **EXAMINATION**

9 **BY COMMISSIONER FLEMING:**

10 **Q** Good evening, Mr. Jordan.

11 **A** Good evening.

12 **Q** Billing has come up time and time again at these
13 hearings, and I was just wondering, during this test
14 period that Ms. Edwards just gave -- do you keep your
15 bills?

16 **A** No, ma'am.

17 **Q** Oh, all right. I was just going to ask if you had those
18 available, it would be helpful to enter them as
19 evidence.

20 **A** I might be able to go back to Carolina Water and ask
21 them for microfilm copies of them, but --

22 [Laughter]

23 -- they have them.

24 **COMMISSIONER FLEMING:** Okay. Thank you.

25 **CHAIRMAN HOWARD:** Any other Commissioner

1 questions?

2 [No response]

3 Mr. Jordan, you indicated you had a letter you
4 wanted to put into the record of the case?

5 **WITNESS:** Yes, sir.

6 **CHAIRMAN HOWARD:** Mr. Jordan's letter will be
7 entered into the record of the case as Hearing
8 Exhibit No. 2. Thank you, Mr. Jordan.

9 **WITNESS:** Thank you, very much, for your time.

10 [WHEREUPON, Hearing Exhibit No. 2 was
11 marked and received in evidence.]

12 [WHEREUPON, the witness was excused.]

13 [Applause]

14 **MR. DONG:** Chris Gordon? Mr. Gordon -- and I
15 guess all the witnesses thereafter -- if we could,
16 for the record, when you come up, state your full
17 name and your address, please.

18 [Witness sworn]

19 THEREUPON came,

20 **C H R I S G O R D O N ,**

21 who, having been first duly sworn, testified as follows:

22 **WITNESS:** My name is Chris Gordon. Address is
23 227 Rollingwood Drive, Lexington, South Carolina
24 29072. I'm getting over a cold, so I'm hoping my
25 voice will bear with me.

1 I'd like to start out with the current prices.
2 As Mr. Knotts has pointed out, the current bill
3 amount that has been offered up -- I've got a few
4 printouts from the ORS; I'm assuming it's
5 information that's been presented to them -- I have
6 here, 7,000 gallons as a current bill is \$35. In
7 actuality, we use 3,000 a month, and ours is \$35 a
8 month, so that's about half. So, yeah, there's
9 definitely some cause for concern on that.

10 When I first moved out here, I moved out to
11 West Columbia. I was on West Columbia water. When
12 I started looking for a second house out by the
13 lake, I had heard some nightmares about Carolina
14 Water. After running into some roadblocks on some
15 houses that I wanted, I finally decided it can't be
16 that bad.

17 [Laughter]

18 **VOICE:** Yeah, right.

19 **WITNESS:** So, anyway, once the bills started
20 coming, four or five months after I moved in, I
21 realized that the bills I was getting was the same
22 amount from West Columbia; however, in West
23 Columbia I was getting bi-monthly bills. So, in
24 other words, it was exactly twice as much for the
25 same amount of water. That is at the current rate.

1 Went from about \$60 a month to about \$65 -- I'm
2 sorry -- \$60 every two months to about \$65 every
3 month.

4 I'd also like to point out that they -- as
5 also pointed out, the fact that all of the water
6 that is being consumed is actually purchased from
7 other entities, and that is definitely the case
8 with us. There are three neighborhoods all side by
9 side right where I live, and we all are supplied by
10 Lexington County Joint Municipal Sewer & Water,
11 referred to as Joint Municipal. We are billed by
12 Carolina Water; however, all the supplies are the
13 same. All the other neighborhoods have much less
14 bills. Also, we have a lot more boil-water
15 advisories. Again, we are on the same pipeline,
16 but we will have boil-water advisories at the
17 beginning of our neighborhood. Every time I see
18 one, I'll drive down to see, and they are not in
19 the neighboring neighborhoods. In other words, it
20 is Carolina Water; it's not Joint Municipal.

21 I'd like to look at their reasons for their
22 rate increases. One of their reasonings is
23 environmental agency regulations. I've seen that a
24 few times down here. I'm pretty sure all water
25 companies have to abide by this, so if all other

1 companies can do it, I see no reason that they
2 shouldn't be able to.

3 The second reason I see in quite a few places
4 is to reduce operating expenses. This one, I find
5 very interesting, that the reason for a rate hike
6 is to reduce operating expenses. Econ 101,
7 something is not right there. And there's a few
8 different places on there.

9 Also one other reason was to meet increased
10 water demand. I'm pretty sure those customers are
11 paying, as well, so more customers, more revenue,
12 as far as I'm concerned.

13 Let's see here. I have done a little bit of
14 math on it. I briefly brought up the amount that
15 we're using, at 3,000. At 6,000 gallons, which is
16 a conservative average, I'd say, for a family of
17 four -- with brown grass --

18 [Laughter]

19 -- in the City of Columbia you've got \$20 in
20 water, outside it's \$29; West Columbia, \$27; Town
21 of Lexington, you've got \$29; Lexington County
22 Joint Municipal, \$37; and Carolina Water, \$47.
23 With this increase, it would jump up to \$85.95.
24 For the total, again, you're looking at an average,
25 for 6,000, Town of Lexington is \$61; Columbia, \$47.

1 Everywhere around is between \$40 and \$60, \$65. We
2 are paying \$86.75 right now. With this increase of
3 80 and 14, that takes it to \$130.27 a month --
4 which is a little exuberant.

5 I'd also like to point out that, as far as the
6 increases go, Lexington County Joint Municipal just
7 got about a 3 percent increase.

8 [5-minute alarm]

9 If I may, about 20 more seconds? SCE&G is
10 building a couple of nuclear reactors; they are
11 looking at 2.8 percent to get that. And I'm pretty
12 sure they're not getting nuclear reactors here.
13 And I can finish with that.

14 **CHAIRMAN HOWARD:** Thank you, Mr. Gordon. Mr.
15 Elliott, any questions?

16 **MR. ELLIOTT:** No, sir, just would thank Mr.
17 Gordon for coming out. And we do have customer
18 service staff downstairs, so please stop by on your
19 way out.

20 **VOICE:** We've heard that.

21 [Additional indiscernible

22 speech/utterance(s) from audience]

23 **WITNESS:** I hope they're better than the ones
24 in Florida.

25 **MR. ELLIOTT:** Stop by and speak to them,

1 please, sir.

2 **CHAIRMAN HOWARD:** Ms. Edwards?

3 **MS. EDWARDS:** Thank you, Mr. Chairman.

4 **CROSS EXAMINATION**

5 **BY MS. EDWARDS:**

6 **Q** Mr. Gordon, if you don't mind, I have a few questions.

7 What's the longest time that your water service has been
8 unavailable to you, you know, for a boil-water advisory?

9 **A** Part of the problem, which is on record from the last
10 time I was before this Commission about a year ago -- so
11 I am two-for-two in my two years at Carolina Water
12 before you guys -- one thing I presented then was that
13 they're actually -- the signs at the beginning of the
14 entranceway are very makeshift, and a lot of the times
15 they would be only on the way out, not on the way in.
16 And I only happened to notice that because I would come
17 home for lunch, see it on the way out and not on the way
18 in. So a lot of people that left for work, they'd put
19 it out in the afternoon and you wouldn't know.

20 So it's kind of hard to say, on that. Normally,
21 it's only about a 36-hour, I would say -- again, I've
22 actually stopped at the signs, and there's a little
23 scribble on the dates. Sometimes you can and sometimes
24 you can't read them. I would say it's normally about 24
25 or 36 hours from the times that I can see it and read

1 it.

2 **Q** Do you recall if that happened during the test year?

3 The test year, again, is October 1, 2009, through
4 September 30, 2010.

5 **A** I do believe. I started keeping track after I noticed
6 how much of a problem it was becoming. I may have some
7 of those -- actually, I know I have at least two or
8 three of them written down, probably going back to the
9 end of last year. I know I've seen, in the two years
10 I've been there, half a dozen.

11 **Q** I know you probably heard me ask these questions earlier
12 of Mr. Jordan, but again, billing has been an issue and
13 it was an issue during this time period. Have you
14 received a bill every month? And what -- and second
15 question, what, if any, issues have you had with billing
16 errors, billing inaccuracies?

17 **A** Right. As aforementioned, it did take a good four
18 months before we received our first bill. I actually
19 called every month after being there, because I did not
20 receive a bill, and then obviously, eventually you start
21 getting concerned about how much am I going to get hit
22 with? I wasn't too concerned, being used to \$35 a
23 month. Once I realized it was more like \$75 a month --
24 and we only use about 100 gallons a day, 3,000 a month,
25 which is lower than anybody else I know, and that's only

1 because we supplement with a well, and still, it's 70
2 bucks a month.

3 But in answer to your question with the billing, we
4 did begin getting a bill every month after that for
5 about half a year. And I do have this information in
6 another folder. I can get back to you if I need to.
7 There was a skipped month, we had a double month, we had
8 another double month, skipped month. On the current
9 bill that I have now, I know that it showed -- it goes
10 back a year. There's a double month at the very
11 beginning; I guess that would be about this time last
12 year. I'm also missing a month about six months ago.
13 So I'm sure in about two months, three months, they'll
14 realize something is missing and I'll get another
15 double.

16 **Q** When did you move into the house and experience the
17 four-month delay? Do you recall that timeframe?

18 **A** It was just over two years ago. April -- very end of
19 April of 2009, so it was end of August before I got a
20 bill.

21 **Q** All right.

22 **A** Yeah.

23 **Q** End of August 2009, before you got a bill. And you
24 mentioned you had some information regarding your
25 billing, in a folder that you mentioned?

1 **A** Oh, yes. Yeah. It's already on record from last year,
2 but I can resubmit that.

3 **Q** When you say last summer, are you talking about the
4 rule-to-show-cause proceeding?

5 **A** Correct, for the double billing, misbilling, et cetera.

6 **Q** Thank you. I know what you're talking about.

7 **A** Okay.

8 **Q** Thank you so much. Before you go, one last question.
9 Did you get a call or an automated call for the boil-
10 water advisory?

11 **A** No, not at all. Occasionally, from some of -- and I
12 know not all the neighbors are getting it either,
13 because on occasion I would have a neighbor call me,
14 "Hey, did you know that..." No. No, I didn't. We've
15 never actually received a call. And I know others have
16 not, either. Some are, and some are not.

17 **MS. EDWARDS:** Thank you, very much.

18 **CHAIRMAN HOWARD:** Commissioner Wright.

19 **EXAMINATION**

20 **BY VICE CHAIRMAN WRIGHT:**

21 **Q** Good evening.

22 **A** Good evening.

23 **Q** Ms. Edwards took my other call [sic] away about the
24 automated calls; that's where I was going, with one of
25 them. You mentioned there were lots of boil-water

1 advisories and that you made notes of where they were,
2 when they might have been. But you mentioned also in
3 relation to the other service areas, I guess the City,
4 West Columbia, and others around you?

5 **A** Correct.

6 **Q** Do you have knowledge of when maybe you contacted those
7 people to find -- how do you know that? That's what I
8 guess I want to know.

9 **A** Well --

10 **Q** Did you call them?

11 **A** -- just by driving.

12 **Q** So you just drove --

13 **A** Yeah, they're right next to -- there's three right in a
14 row.

15 **Q** Right.

16 **A** And, yeah, so I would actually drive down the
17 neighborhoods and see if they had any advisory. So,
18 yes, at this point I did not call Lexington County
19 Municipal to see. As I'm getting more into this, I'm
20 starting to see issues and starting to document more. I
21 will tell you, when I call the customer service number
22 that goes down to Florida, they have no idea of
23 anything. The computer issue, the -- you know, I
24 always get the excuse, "Well, we're in Florida." Well,
25 if you're in Florida, what are you doing here, if you

1 don't know anything? And that's what I get, the excuse
2 is, "I'm in Florida. I can't pull those records," So
3 I'm really not sure who can.

4 **Q** The boiled-water advisory, was it specific to your
5 neighborhood or was it other adjoining neighborhoods
6 that --

7 **A** It was just our neighborhood, yes. And like I said, the
8 neighborhood is off of the main road. The main road is
9 supplied by Lexington County Joint Municipal.

10 **Q** Right.

11 **A** Our water is actually by Joint Municipal; it's just
12 billed through -- and all three -- so all three are on
13 the same pipeline, basically, if you want to put it that
14 way. And like I said, they -- I think one of the times,
15 they may have had a boil-water, so it would've been
16 universal. Other than that, they haven't and we have.

17 **CHAIRMAN HOWARD:** Any more questions
18 Commissioners?

19 [No response]

20 Mr. Gordon, thank you very much.

21 **WITNESS:** Thank you.

22 [WHEREUPON, the witness was excused.]

23 [Applause]

24 **CHAIRMAN HOWARD:** I just talked to our
25 director. It seems like -- well, it's obviously

1 hot, and it's crowded. If you would like to defer
2 your time, we will have another night hearing on
3 September 7th, which is the day of the hearing, at
4 6 p.m. at night. So if you would rather just defer
5 and come then, that's fine, so you don't have to --

6 **VOICE:** That's where?

7 **CHAIRMAN HOWARD:** At our office on Synergy
8 Drive. 101 Executive Circle Drive, Synergy Drive.
9 Basically, the corner of Bush River Road and I-20,
10 right across from the Cracker Barrel. I mean,
11 we'll continue tonight; I'm not telling you -- but
12 if you would rather -- because of the heat and the
13 crowded conditions, if you would rather come on
14 that night, the 7th, at 6 o'clock, you're more than
15 welcome to.

16 We'll continue on, but I just wanted to give
17 you that option.

18 **MS. EDWARDS:** Mr. Chairman, if it would be
19 helpful, maybe a notice could be sent or advertised
20 of the night hearing on September 7th at 6 p.m. at
21 the Commission's offices? Maybe there could be
22 some sort of notice or provision made? I can hear
23 a certain individual saying where and how to get
24 there, that kind of thing. And again, my name is
25 Nanette Edwards. And the Office of Regulatory

1 Staff -- if you have any questions, this is Brad
2 Kirby and if you are thinking of leaving and you
3 want to get, you know, directions on how to get to
4 the Commission, Brad would be happy to help you
5 with that or any other question you have about ORS
6 or CWS.

7 **CHAIRMAN HOWARD:** Thank you. Continue, Mr.
8 Dong.

9 **MR. DONG:** Okay. The next witness is James
10 Manning. If you would, please come and be sworn,
11 and then give your name and address.

12 [Witness sworn]

13 THEREUPON came,

14 **J A M E S D . M A N N I N G ,**
15 who, having been first duly sworn, testified as follows:

16 **WITNESS:** Mr. Chairman, members of the Public
17 Service Commission of South Carolina, my name is
18 James D. Manning. I reside at 134 Mossborough
19 Drive in Lexington, 29073. I'm a residential
20 customer of Carolina Water Service, and my
21 testimony is in opposition to their application to
22 increase their rates and charges on Docket No.
23 2011-47-WS.

24 An article in *The State* newspaper dated April
25 21, 2011, states, quote, "Carolina Water Service is

1 seeking to nearly double homeowners' bills for
2 water and raise the rate of sewer significantly,"
3 unquote. The article goes on to state, and I quote
4 again, "These raises are 82 percent for water and
5 14 percent for sewer." This is from *The State*
6 newspaper.

7 A front page article in the *Lexington County*
8 *Chronicle* dated April 28, 2011, stated, and I
9 quote, "Company officials say the increase is
10 needed to help pay for rising costs," unquote. One
11 must wonder why -- what incentive they have to
12 control their costs. I'm 76 years old. I don't
13 take long showers and I don't wash cars. My
14 average bill for the past 12 months is \$99. If
15 they get an 82 percent raise, my average bill will
16 be \$180.80 a month.

17 My bill just received within the last two
18 weeks covers the period from April 21, 2011, to May
19 23, 2011. It's a whopping \$137.28, for the two of
20 us for heaven's sake. If they raise it 82 percent,
21 it would have to be almost \$250 a month. This is
22 outrageous. This is excessive. This is
23 exorbitant. This is unconscionable. I can't
24 believe they're asking me to pay almost \$250 a
25 month.

1 An article in *The State* newspaper dated June
2 8, 2011, states that Columbia is raising their
3 rates by 5 percent. The article continues, and I
4 quote, "that while the City is raising rates to fix
5 the system, it continues to take money from the
6 water and sewer fund to pay for basic services,"
7 unquote. In other words, although Columbia's rates
8 are significantly less than Carolina Water, by
9 carefully controlling their costs, they generate
10 enough income to help fund things like police and
11 fire protection.

12 I wrote a letter to the editor that was
13 published in the May 12, 2001, edition of the
14 *Lexington County Chronicle*, in which I stated: "I
15 call on the Public Service Commission to require
16 Carolina Water to submit a cost-containment plan
17 before they consider any rate increase."

18 The Public Service Commission of South
19 Carolina's website lists the Commission's mission
20 statement and goals. Among the goals is this
21 statement: Seek to ensure that, within a more
22 competitive utility environment, that core or
23 captive customers with little market power are not
24 unduly burdened with the costs of competition and
25 are provided appropriate service and service

1 options.

2 I hereby request that the Commission table
3 Carolina Water's request until Carolina Water can
4 have an independent, qualified consultant, at their
5 own expense, generate a cost-containment and cost-
6 reduction plan.

7 When I testified at the public hearing on June
8 15, 2006, I was asked by a Commission member, "How
9 long have you lived here?" To me, this says, "This
10 has been going on for years. Where have you been?"

11 Well, if this has been going on for years,
12 it's because the Commission has allowed it. And
13 it's time to stop this out-of-control --

14 [Applause]

15 -- train. It is time to stop this out-of-
16 control train. It is time the Commission looked at
17 their Mission Statement to ensure, and I quote,
18 "captive customers with little market power are not
19 unduly burdened. Thank you, very much

20 [Applause]

21 **CHAIRMAN HOWARD:** Mr. Elliott.

22 **MR. ELLIOTT:** Just again, would thank Mr.
23 Manning for coming out, and remind you that if you
24 have any customer service questions, there is a
25 customer service representative downstairs.

1 **WITNESS:** Thank you, counselor.

2 **MR. ELLIOTT:** Thank you.

3 **CHAIRMAN HOWARD:** Ms. Edwards.

4 **MS. EDWARDS:** Thank you, Mr. Chairman.

5 **CROSS EXAMINATION**

6 **BY MS. EDWARDS:**

7 **Q** Hello, Mr. Manning. It's good to see you again.

8 **A** Thank you.

9 **Q** I know your issues with the rates. I was wondering, you
10 didn't mention anything about billing issues or quality-
11 of-service issues.

12 **A** My billing issues are really nothing to compare with
13 what a lot of other people have had, and I think it's
14 going to be adequately addressed without me doing it.
15 But their costs are completely out of control; that's my
16 point.

17 **MS. EDWARDS:** Okay. I appreciate it. Thank
18 you for your testimony.

19 **CHAIRMAN HOWARD:** Commissioners?

20 [No response]

21 Mr. Manning, thank you very much for coming.

22 **WITNESS:** Okay.

23 [WHEREUPON, the witness was excused.]

24 [Applause]

25 **MR. DONG:** Brian Taylor? Behind Mr. Taylor is

1 Tom Callan.

2 [Witness sworn]

3 THEREUPON came,

4 B R I A N L . T A Y L O R ,

5 who, having been first duly sworn, testified as follows:

6 WITNESS: Good evening, Senator Knotts,
7 Representative Quinn, members of the Commission,
8 fellow citizens. Thank you for coming to this
9 hearing this evening. My name is Brian Taylor. I
10 live at 202 Timbergate Drive, Lexington, South
11 Carolina. I've lived at this residence for
12 approximately ten years. I've been on Carolina
13 Water Service all that time.

14 I'd like to take a little bit of a different
15 approach, if I may. We all know that water is a
16 very precious commodity, especially if you are --
17 especially if you have Carolina Water Service, or
18 golden water, as we call it in our neighborhood

19 [Laughter]

20 -- because all too often you wake up in the
21 morning and you have no water, or you come home in
22 the afternoon and you have no water. As I get a
23 little bit older, I come to find that I'm willing
24 to pay for things of value but they must have
25 value. Unfortunately I feel that, right now, I'm

1 not getting value for the money I'm spending
2 monthly on water service.

3 I'd like to provide just a few points. I'll
4 defer any statements, and I have a packet of
5 information I'd like to provide to support, I
6 guess, my situation from a billing standpoint. And
7 I'd also like to provide the Carolina Water Service
8 with a couple of options to reduce their costs, to
9 alleviate the possibility of raising their rates.

10 First I'd like to refer to their own
11 application, in which they identified three reasons
12 to raise rates: provide reasonable and adequate
13 service, comply with standards, and earn a
14 reasonable return. However, if you look on page
15 two of Exhibit A, you'll find that the utility will
16 also charge for the cost of water purchased from
17 other government bodies or agencies or entities.
18 So that sounds to me like they're not producing any
19 water; they're purchasing water. It also says
20 without markup, which I believe that is in
21 question.

22 If you turn to page six of their exhibit,
23 Exhibit A, you'll find the same verbiage for sewer,
24 and it states the utility will also charge for
25 treatment services provided by government body or

1 agency or other entity. So to me, again, it sounds
2 like they're not even treating the water -- the
3 wastewater. And again, it says without markup,
4 which I find difficult.

5 From Utilities Services' [sic] website, their
6 mission statement says, "At Utilities Services,
7 Incorporated, we're committed to providing safe,
8 reliable, and cost-effective service..." -- "cost-
9 effective" being the keyword. Also on the website
10 you will find three key points: superior quality,
11 efficient operations, and exceptional service. I'd
12 like to take note of the exceptional service. The
13 first line of this bullet states, "We consider
14 customer service excellence one of our core
15 competencies." I'll talk about that more in a
16 minute. We discussed -- you've heard testimony
17 previously about water rates, and how rates would
18 be much cheaper if we were on a municipal system --
19 which I find very odd, because I myself am a
20 conservative and I believe that the private system
21 can provide services better than the public system
22 can, so why cannot this private entity provide
23 services better than the public entities around it
24 can? It's very amazing to me. My water bill, on
25 average, if I were in West Columbia, would be 30

1 percent less, and my sewer rates would be
2 approximately 400 percent less.

3 There is one situation which falls outside of
4 the test period that we're looking at here but was
5 on December 8 of 2010. I happened to come home for
6 lunch -- I forget the reason why -- but in my front
7 yard, which I have photographs and which I will
8 turn in as evidence -- there was a PASCON truck, an
9 excavator, and a Utilities, Incorporated, truck.
10 And they were digging in my front yard. So I
11 could've run over and made a scene, but I didn't.
12 I casually walked over and tried to find out what
13 was going on. It appears that a water line in the
14 area had burst earlier that morning, because it had
15 been very cold. The county owns approximately a
16 four-foot right-of-way on my property; however,
17 photographs will show that Carolina Water Service
18 and PASCON were at least 15 to 20 feet on my
19 property, destroying my property if you will.

20 When I approached the gentleman in the
21 Utilities truck, whose name was [indicating] Vaughn
22 -- and that's how he identified himself, as nothing
23 but [indicating] Vaughn -- Vaughn indicated that
24 they were replacing a valve that had broken.

25 [5-minute alarm]

1 Well, needless to say, I will provide these
2 photographs and also a photograph which indicates a
3 DHEC violation, I believe, by PASCON, as well as
4 nothing that's been done in eight months. Thank
5 you very much. I appreciate this opportunity to
6 speak before you this evening.

7 [Applause]

8 **CHAIRMAN HOWARD:** Mr. Taylor, we'll accept
9 your exhibits and enter them into the record as
10 Hearing Exhibit No. 3.

11 [WHEREUPON, Hearing Exhibit No. 3 was
12 marked and received in evidence.]

13 **CHAIRMAN HOWARD:** And, Mr. Elliott, any
14 questions of Mr. --

15 **MR. ELLIOTT:** Just would like to thank this
16 gentleman for coming out, too, and --

17 [Laughter]

18 **WITNESS:** You know, you folks should not give
19 Mr. Elliott that hard of a time. He only had nine
20 lines in four sentences in which to substantiate
21 the reason for Carolina Water Service, on the
22 application, so they are not paying him very much
23 money at all.

24 [Laughter]

25 Please remember that.

1 **CHAIRMAN HOWARD:** Mr. Taylor --

2 **VOICE:** He's billing them by the hour tonight.

3 [Laughter]

4 **MR. ELLIOTT:** Thank you for those kind words,
5 but I would also renew my invitation for you to
6 stop by --

7 **WITNESS:** Yes, sir. I will see --

8 **MR. ELLIOTT:** -- customer service.

9 **WITNESS:** -- the ladies downstairs.

10 **MR. ELLIOTT:** Thank you.

11 **CHAIRMAN HOWARD:** Ms. Edwards.

12 **MS. EDWARDS:** All right.

13 **CROSS EXAMINATION**

14 **BY MS. EDWARDS:**

15 **Q** I noticed you didn't get a chance to finish. Would you
16 finish the rest of your story?

17 **A** I'll be very brief. Vaughn indicated that they were
18 fixing a main valve. The gentleman from PASCON replaced
19 the valve. They also, I guess, covered the area as best
20 they could. He said he would have his grass man come
21 out and put some grass on it and level the area. That
22 was eight months ago. In June, the patch from the
23 asphalt that was cut was finally replaced, and today, as
24 submitted in the photographs, there's been nothing else
25 done. So I'm a little disappointed that I've been

1 forgotten about.

2 **Q** All right. So as we stand here today, it's still
3 unrepaired?

4 **A** Yes, ma'am, that is correct, and the photographs will
5 show that.

6 **Q** Would you mind meeting with Mr. Kirby so that he can get
7 your phone number --

8 **A** Sure, I'll be glad to.

9 **Q** He may not be able to -- because of conditions being so
10 crowded, he may need to just call you. And also, I
11 think Mr. Kirby will want to get in touch with the
12 company as well.

13 **A** Sure.

14 **Q** One last question. How long have you been at this
15 location?

16 **A** Approximately ten years.

17 **Q** Thank you.

18 **A** Thank you.

19 **CHAIRMAN HOWARD:** Commissioners.

20 **COMMISSIONER FLEMING:** Yes, Mr. Chairman.

21 **CHAIRMAN HOWARD:** Commissioner Fleming.

22 **EXAMINATION**

23 **BY COMMISSIONER FLEMING:**

24 **Q** You were going to speak a little bit about customer
25 service, I believe, before you were cut off.

1 **A** Yes, ma'am.

2 **Q** And I would imagine part of that had to do with your
3 lawn.

4 **A** Yes, ma'am.

5 **Q** Could you -- have you made calls to them about the work
6 not being completed, and could you describe that a bit?

7 **A** Commissioner Fleming, I appreciate that question. The
8 answer is, no, and purposefully not, because I wanted to
9 see exactly how long it would take for them to contact
10 me, or if they'd forgotten about me, and apparently they
11 have forgotten about me.

12 **Q** Okay. But in the past, have you contacted them about
13 issues?

14 **A** Yes, ma'am. In 2004, after returning home from a
15 business trip, there was a water fountain in the center
16 of our roadway, which I unfortunately had to make about
17 three calls and finally asked the google who I should
18 call. The google told me to call Chicago, so I
19 contacted Chicago at that time and said, "There's a
20 water fountain in the middle of my road. Please come
21 fix it."

22 **Q** And have you received automatic phone calls about
23 boiled-water issues?

24 **A** No, ma'am, I have not.

25 **Q** Automated? I'm sorry.

1 **A** No, ma'am, I have not.

2 **Q** Okay. Thank you.

3 **A** Thank you.

4 **CHAIRMAN HOWARD:** Commissioners?

5 [No response]

6 Mr. Taylor, thank you very much for coming.

7 **WITNESS:** Thank you.

8 [WHEREUPON, the witness was excused.]

9 [Applause]

10 **MR. DONG:** Tom Callan? Behind Mr. Callan will
11 be Mark Lynn.

12 [Witness sworn]

13 THEREUPON came,

14 **T O M C A L L A N ,**

15 who, having been first duly sworn, testified as follows:

16 **WITNESS:** My name is Tom Callan. I live at
17 229 Forty Love Point in Chapin, South Carolina.
18 I've resided at that address since October of '05.
19 I've been a Carolina Water Service customer since
20 that time.

21 I have spent 21 years in the Marine Corps. I
22 mention that only because, by virtue of my military
23 service, I have lived up and down the East Coast of
24 the United States from New York to Georgia, and
25 virtually every state in between. I've never, in

1 my entire life, encountered water quality the likes
2 of Carolina Water Service's -- or rather, I should
3 say the absence of water quality like I have with
4 Carolina Water. In fact, there's only one time in
5 my entire career or life to date that I've ever
6 encountered bad water service, and I lived in
7 Pinetamare, Italy, at that time.

8 [Laughter]

9 In other words, nowhere in America.

10 We have -- boil-water notices are almost a
11 quarterly event. They range anywhere from as --
12 probably more like an average of four days to
13 sometimes as long as a week. We have water-
14 pressure issues. We have water-quality issues.
15 Everything from appliances that fail because they
16 become encased in minerals to shower heads that
17 have to be replaced because the little ports aren't
18 open anymore because they're filled with minerals.
19 My wife complains about the laundry and what the
20 minerals do to the wash, and also what it does to
21 her hair. There is an odor. Now you might
22 consider, like today, when I turned the water on,
23 there was a very strong chlorine smell -- now that
24 might be in some people's minds a good smell. I
25 don't happen to find a heavy concentration of

1 chlorine to be an odor that I rather enjoy. We
2 have murky water, often really, truly brown water.
3 And, I mean, this is never-ending.

4 Now, I will say in defense of Carolina Water
5 Service, our community has complained bitterly, and
6 they have assigned an individual to assist our
7 community. In the course of doing that, they
8 discovered that their aboveground water tank was
9 filled with some type of brown mold or algae, and
10 so they had to tear the thing apart and then flush
11 it completely. They're forever having to flush our
12 water lines and tell us, "Don't use water during
13 this period." I mean, you can't even flush a
14 toilet, for crying out loud, because if you do
15 you're going to ingest the flushed material into
16 your private home's water system. Again, this is
17 going on continuously.

18 I own a home in Augusta, Georgia, which one of
19 my sons lives in. I can tell you, when I compare
20 the water bill from Augusta, Georgia, with the
21 water bill here, I'm aghast at the cost
22 differences. And he has quality water; I don't.

23 And if you happen to live in Forty Love, and
24 there is a street that goes around called Heller
25 that follows around the lake, and they have three

1 of their wells there, plus a pumping station for
2 their hybrid septic system, and sometimes that
3 hybrid septic system -- you want to take a
4 different road, because the pump just -- the odor
5 is absolutely breathtaking, and I personally don't
6 know how people in my neighborhood who live down
7 towards that piece of property can even tolerate it
8 at all.

9 I believe that the quality of water is the
10 principal issue, from my perspective. I'm more
11 than willing to pay what I consider fair and
12 reasonable. I'm not suggesting that their rates
13 are fair and reasonable. They're extremely high,
14 compared to all the rates I've paid everywhere
15 else, including Fairfax, Virginia, which is an
16 extremely high-cost area compared to the Columbia
17 general area.

18 That's all I have to say. I appreciate the
19 opportunity to come and make my remarks. Question?

20 **CHAIRMAN HOWARD:** Thank you, Mr. Callan. Mr.
21 Elliott.

22 **MR. ELLIOTT:** Appreciate you coming out
23 tonight. And again, as I will remind everybody
24 tonight, customer service is here, and we're here
25 so please stop by on your way out.

1 **WITNESS:** Thank you.

2 **CHAIRMAN HOWARD:** Ms. Edwards.

3 **MS. EDWARDS:** Thank you.

4 **CROSS EXAMINATION**

5 **BY MS. EDWARDS:**

6 **Q** You mentioned that you're getting a boil-water advisory
7 about once every quarter?

8 **A** Uh-huh.

9 **Q** So, would you say during the test period that you got --
10 that would've been October 1, 2009, through September
11 30, 2010, that's a 12-month period, you would've gotten
12 four in that time period?

13 **A** Probably I would say three or four, yes.

14 **Q** Okay. And you mentioned that they found the brown algae
15 in the tank. Have things gotten any better since --

16 **A** There was a short period of time where our water quality
17 seemed to improve. However, that was short-lived and
18 we're back to the same situation we've had as a
19 recurring problem since I moved in there six years ago.

20 **Q** So, as you stand here today, all the issues that you
21 referenced -- the smell, the odor, the discoloration of
22 the water -- all those issues are still inherent today?

23 **A** Yes, they are. They ebb and flow as the flow of water
24 ebbs and flows.

25 **MS. EDWARDS:** Thank you.

1 **CHAIRMAN HOWARD:** Commissioners.

2 [No response]

3 **WITNESS:** Thank you, very much.

4 **CHAIRMAN HOWARD:** Mr. Callan, thank you, very
5 much.

6 [Applause]

7 [WHEREUPON, the witness was excused.]

8 **MR. DONG:** Mark Lynn? And behind Mr. Lynn
9 will be Reed Bull.

10 [Witness sworn]

11 THEREUPON came,

12 **M A R K L Y N N ,**

13 who, having been first duly sworn, testified as follows:

14 **WITNESS:** Ladies and gentlemen, my name is
15 Mark Lynn, L-y-n-n. And I reside at 305 Duchess
16 Trail, in the Grayland Forest subdivision. I've
17 resided there for over seven years.

18 My monthly water bill averages between \$60 to
19 \$70 a month. I am one person with two cats.

20 [Laughter]

21 That's it. I have lived in three other states
22 and one other county in this State, and this is the
23 most I have ever paid for water service. 80
24 percent increase is an outrageous request. I can
25 -- don't have to tell anybody in this room the

1 state of our national or local economies.
2 Foreclosures, bankruptcies, unemployment are at
3 record highs. To place another burden on the
4 people of this county is absolutely ridiculous at
5 this time.

6 I also have a major consumer issue with
7 Carolina Water. As Senator Knotts pointed out
8 earlier, they have no local representation or
9 presence. When I have to pay my water bill, I have
10 to send it to Lewiston, Maine. It takes at least
11 seven days for that bill to get to Lewiston, Maine.
12 When I call and complain on the telephone, I get
13 Altamont Springs, Florida, which is near Orlando.
14 This Commission should require utility companies
15 doing business in this State that they should have
16 a local office to deal with the public that they
17 are serving. If they are going to ask for these --

18 [Applause]

19 If they're going to ask for these outrageous
20 fees, they should at least give us some type of
21 public service. So I would once again request that
22 this Commission deny this request. Thank you, very
23 much.

24 [Applause]

25 **CHAIRMAN HOWARD:** Mr. Elliott, once again.

1 **MR. ELLIOTT:** Yes, sir. Just, thank you very
2 much. Appreciate you coming out and supporting our
3 process. And I would remind you, too, that the
4 customer service personnel are downstairs.

5 **WITNESS:** And in Florida.

6 [Laughter]

7 **MR. ELLIOTT:** They're here tonight, so stop
8 by.

9 **WITNESS:** And going back to Florida tomorrow.

10 **CHAIRMAN HOWARD:** Ms. Edwards.

11 **MS. EDWARDS:** Thank you, Mr. Chairman.

12 **CROSS EXAMINATION**

13 **BY MS. EDWARDS:**

14 **Q** Have you incurred any late fees as a result of, you know
15 -- I know you mail your bills, you say it takes seven
16 days. Any late fees?

17 **A** Yes, on several occasions.

18 **Q** Okay. Have you had issues with the company working with
19 you to remove the late fees, or have they worked with
20 you?

21 **A** The only thing that I can recall is they said, "Well,
22 hurry up and send it right away, and, you know, we'll
23 note it on our computer."

24 **Q** Okay.

25 **A** But, yes, I used to -- when it was over on Chris Drive,

1 up there, I used to go in person and pay the bill every
2 month. I like to do that, because things happen to get
3 lost in the mail sometimes. And, you know, shut their
4 doors and laid off some folks, I guess.

5 **Q** One last question. You mentioned you had called in to
6 customer service and, you know, that it's in Florida.
7 Have you ever had long call hold times in trying to
8 get --

9 **A** Oh, yes. Yes. One time it was over a half hour.

10 **Q** I don't suppose that was during the test year, was it,
11 in the past 12 months?

12 **A** It has been within the last six months.

13 **Q** Thank you, very much.

14 **A** Thank you.

15 [Applause]

16 **CHAIRMAN HOWARD:** Commissioners.

17 **MR. BULL:** I'm Reed Bull, and I'd like to
18 defer to the September hearing, please.

19 **CHAIRMAN HOWARD:** Your name is -- I'm sorry.

20 **MR. BULL:** Reed Bull.

21 **CHAIRMAN HOWARD:** Okay.

22 **MR. BULL:** I'd like to defer to September.

23 **MS. PORCH:** I'd like to defer also -- Gina
24 Porch -- until the September hearing. Most of my
25 points have been made this evening, except one.

1 **MS. HEALY:** Pat Healy, and I'll defer to
2 September.

3 **MR. HALL:** Ken Hall, H-a-l-l.

4 **MR. DONG:** Mr. Hall, I'm sorry, what was your
5 name again?

6 **MR. HALL:** Ken.

7 **MR. DONG:** Ken?

8 **MR. HALL:** Yes.

9 **MS. BURCHETT:** Adrian Burchett.

10 **CHAIRMAN HOWARD:** Anyone else?

11 [No response]

12 Mr. Dong, would you call the next witness.

13 **MR. DONG:** Okay. The next two witnesses on
14 the list are Sherry Koerner, or Koerner. And Tim
15 Anderson.

16 [Brief pause]

17 **VOICE:** Would you say it out loud? They may
18 not be able to hear you outside.

19 **MR. DONG:** Sherry Koerner and Tim Anderson.

20 **MR. ANDERSON:** I'm Tim Anderson. I'll wait
21 for Sherry. Where is Sherry?

22 [Brief pause]

23 **MR. DONG:** Mr. Anderson, why don't we go ahead
24 and proceed with you. If you would, after you're
25 sworn, your name and address, please.

1 **MR. ANDERSON:** Certainly.

2 [Witness sworn]

3 THEREUPON came,

4 **T I M A N D E R S O N ,**

5 who, having been first duly sworn, testified as follows:

6 **WITNESS:** My name, for the record, is Tim
7 Anderson. I live at 276 Wallace Circle in the
8 Planters Station community, and that is Lexington,
9 South Carolina. I'd like to thank all the
10 Commissioners, in addition to Senator Jakie Knotts
11 and everyone else for having us out here tonight --
12 and the tennis complex. It's a lovely place. I
13 might take up the sport sometime.

14 [Laughter]

15 Anyway, most of my points have been hit on
16 tonight. I am the president of the Planters
17 Station Homeowners Association. We have 115 -- we
18 don't call them units in our community; we call
19 them families. And I have yet to hear one family
20 express support for this measure. I've actually
21 gone door-to-door, and all of them have the same
22 grave concerns that you can imagine.

23 Just for one general observation, I am a high
24 school teacher, and I regularly attend school board
25 meetings, and I will say that, you know, you know

1 things are going right when no one shows up at the
2 meetings.

3 [Laughter]

4 I imagine y'all have plenty of meetings, no
5 crowds, and, "Well, all right, let's approve it."
6 Whenever you get a packed house and at least three
7 different news organizations here: Houston, we
8 have a problem. And we do have a problem.

9 [Applause]

10 I will say, despite how dysfunctional things
11 seem to be at the federal level right now, I am
12 rather pleased with what I'm saying here: This is
13 a beautiful display of democracy. We have lots of
14 people who are having a problem in their community;
15 they've all shown up tonight to rally in support.
16 Senator Knotts heard their complaints, was able to
17 make this happen. You all were kind enough to come
18 out, and we are greatly appreciative of that, too.

19 One thing about their service, in particular,
20 that bothers me: I, too, have had an experience on
21 a personal level -- most of the homeowners in my
22 community have, as well -- where I received a bill
23 for \$150, and then I did not receive a bill.
24 Actually, I received one two weeks later that said
25 I owed zero dollars, and then the next month I got

1 one saying I have \$100 that I owe and a shutoff
2 notice. That was a little troubling. But, even
3 though the bills, you're going to hear from
4 everybody here, are very sporadic, there's one
5 thing that's not sporadic, and it's this offer that
6 if I sign up for a low price of \$10 or \$12 a month
7 for water line insurance, then that way, if I had a
8 water line break on my property, then that would
9 cover it. These guys are kind of like credit card
10 companies, you know, whenever you call to sign up,
11 you have a ten-second hold time; whenever you have
12 a problem or something goes wrong, then that's when
13 it's impossible to get the service taken care of,
14 you know? They're more interested, it seems, in
15 providing service in terms of, "Yeah, just pay our
16 \$12-a-month thing," and -- that's what happens, you
17 know?

18 One gentleman here, he mentioned, you know,
19 that -- I, too -- I voted for Pat Buchanan in 2000.
20 I consider myself a conservative. But this is a
21 clear case, why can't, you know, a private company
22 perform a service better than the public seems to?
23 Well, because they have no incentive to right now.
24 It's all about incentive. Just like private
25 citizens, you have good ones and bad ones, you

1 know, and we need a government presence -- police
2 officers or whatever -- overlooking the bad ones?
3 This is where we need your presence to actually
4 overlook one of the bad apples here, wherein this
5 clearly isn't working out.

6 But you wouldn't know if you talk to these
7 guys. This gentleman -- he's great. If you ever
8 want to do liens for our, you know, HOA, then -- I
9 mean, you're a great attorney and, like, we would
10 love to have you. I mean, he's very personable,
11 you know, and all that.

12 [Laughter]

13 But, you know, like you go to their website
14 and they act like they're the March of Dimes, like
15 "Our purpose is to provide water to all the
16 communities" and all out there. That's not true.
17 I personally think it's "Those are some hicks down
18 in South Carolina; we're up here in Illinois. You
19 know what, we can jack up..." -- it is audacious.
20 80 percent during a recession? I mean, as Atticus
21 Finch, played by Gregory Peck, said in *To Kill a*
22 *Mockingbird*: The unmitigated temerity it takes to
23 make such a ridiculous claim, or such a ridiculous
24 request, it absolutely baffles me. Like, where
25 else do you think you can possibly make an 80

1 percent increase during the great recession? And I
2 guarantee those guys were just thinking, "Well,
3 this ought to cruise on through and we'll be all
4 right." And it's not going to cruise, though.
5 It's not going to cruise because of all the good
6 people here tonight and also because of the good
7 people -- you -- sitting before me.

8 And that's really all I have. I thank you
9 very much for your time.

10 [Applause]

11 **CHAIRMAN HOWARD:** Mr. Elliott.

12 **MR. ELLIOTT:** Thank you, very much. I
13 appreciate you coming. It's an informative
14 process. And the ladies from customer service are
15 downstairs.

16 [Laughter]

17 **WITNESS:** You're welcome. He's good.

18 **CHAIRMAN HOWARD:** Ms. Edwards.

19 **CROSS EXAMINATION**

20 **BY MS. EDWARDS:**

21 **Q** First question, let me just make sure I confirm your
22 address. It's 276 Wallace Circle?

23 **A** Yes, ma'am.

24 **Q** Okay. And I heard you say that you got a shutoff -- a
25 \$100 bill and a shutoff notice?

1 **A** Yes, ma'am.

2 **Q** When did that happen?

3 **A** That happened last spring, so that would be during the
4 time in question.

5 **Q** Do you have any of your bills?

6 **A** I can send a copy to your office, if you like. I didn't
7 bring them.

8 **MS. EDWARDS:** Excuse me, Mr. Chairman. I was
9 wondering if I could get a late-filed exhibit of
10 this gentleman's bills. He had some of the billing
11 issues that occurred during the test year, which I
12 believe are relevant to this case, and he's offered
13 to provide them.

14 **CHAIRMAN HOWARD:** Mr. Anderson's late-filed
15 exhibit of his billing will be Hearing Exhibit No.
16 4.

17 **MS. EDWARDS:** If you'll get with me
18 afterwards, I'll let you know how to get it in, so
19 we get it into the Commission's records.

20 **WITNESS:** Okay. All right.

21 **CHAIRMAN HOWARD:** Commissioners. Commissioner
22 Fleming.

23 **COMMISSIONER FLEMING:** Yes. I don't have a
24 question, but I have to say it makes me feel good
25 about our education system to know that you are in

1 the classroom.

2 **WITNESS:** Oh, thank you.

3 [Applause]

4 **COMMISSIONER FLEMING:** I would like to go
5 back, to be in your classroom.

6 [Laughter]

7 **WITNESS:** Well, I do appreciate that. Thank
8 you, very much, Commissioner.

9 **CHAIRMAN HOWARD:** Commissioners. Commissioner
10 Whitfield.

11 **COMMISSIONER WHITFIELD:** Thank you, Mr.
12 Chairman.

13 **EXAMINATION**

14 **BY COMMISSIONER WHITFIELD:**

15 **Q** Mr. Anderson, I think we heard you have a little bit of
16 exchange about your bills, and you shared that with Ms.
17 Edwards?

18 **A** That's correct, Commissioner.

19 **Q** Didn't you say, when you first got up, you had some
20 service issues? Could you mention some of those issues
21 you might've had with service?

22 **A** What, in particular, getting the actual water, or --

23 **Q** The quality of the water -- anything related to service.

24 **A** I'll be honest, I haven't had any issues with water
25 quality in and of itself at my house. I would say that

1 would make me the outlier in this particular situation.
2 But in terms of water, I've had water pressure. I never
3 tested for minerals or anything like that. But in that
4 regard, I have gotten it. My wife's name, even though
5 her mother named her Channing, according to Utilities,
6 Inc., her name is Shanning. And I think it's going to
7 take an Act of Congress, you know, before we can get her
8 name back to being what it is. So, aside from that,
9 though.

10 **CHAIRMAN HOWARD:** Commissioners?

11 [No response]

12 Mr. Anderson, thank you very much.

13 **WITNESS:** Thank you.

14 [Applause]

15 [WHEREUPON, the witness was excused.]

16 **MR. DONG:** I can't tell whether the next
17 witness's name is Jay or Joy Pittman.

18 **MR. PITTMAN:** Jay.

19 **MR. DONG:** Jay. Mr. Pittman, please. And
20 following Mr. Pittman, Bruce Portus.

21 [Witness affirmed]

22 THEREUPON came,

23 **J A Y P I T T M A N ,**

24 who, having been first duly affirmed, testified as follows:

25 **WITNESS:** Okay. My name is Jay Pittman. I

1 live at 382 Shakerag Road, in Aiken, South
2 Carolina. That's in Hunters Glen subdivision. I
3 guess I'm one of the few or only person here from
4 outside the Lexington area, so I'll be brief -- I
5 hope.

6 Hunters Glen is a neighborhood of around 90
7 homes, with its own independent water system.
8 We're on septic tanks and have no sewer system.
9 According to DHEC, the two wells have no issues, so
10 our problem is not with the quality of the water;
11 it's with the billing.

12 Now, we do have problems in the neighborhood.
13 The central piping is undersized; it cannot handle
14 fire hydrants. We do have low-pressure problems in
15 select areas for select people, because the -- off
16 of these four-inch mains, we have small branch
17 lines feeding two houses each. So we do have our
18 system problems, but we do not have a quality
19 problem.

20 Now, looking at the rates: In Aiken County,
21 looking at municipal and private, the proposed
22 increases would result in water bills three times
23 higher than Aiken City and two times higher than
24 Aiken City charges out-of-city-limits residents.
25 It's also twice as high as a private company that

1 provides water to New Ellenton, which I'm sure
2 you've heard about New Ellenton water system.

3 Now, based on the system deficiencies, New
4 Ellenton has actually come into our subdivision and
5 provided fire water to our church sanctuary, which
6 has gone against the City of Aiken. The City of
7 Aiken now does not like that, so now we have
8 brewing of a turf battle between City of Aiken, New
9 Ellenton, and Carolina Water.

10 Per the information letter that was sent out
11 by Carolina Water, operation and maintenance costs
12 have increased 14 percent between 2005 and '11.
13 Then why an 80 percent increase? That's much
14 greater than the 43 percent increase to the average
15 customer stated in the letter. While the private
16 utility company is guaranteed to remain viable by
17 the PSC, the application shows 11½ return on
18 equity. That's not too shabby, when the local bank
19 gives you less than a penny on the dollar for a CD.

20 Excessive profits, we believe, from the
21 Carolina -- South Carolina residents should not be
22 used to fund improvements in other states. If you
23 Google Utilities, Incorporated, you'll find that
24 they have significant improvements outside of the
25 State, and construction costs. I don't think that

1 the South Carolina residents' -- the profit from
2 this company should be used to fund improvements in
3 other states, which is what will happen.

4 The proposed rates are much greater for water
5 service, even though the projected sewer
6 construction is twice the water system construction
7 in their application and exhibits. Appearances are
8 that funds from the water system improvements would
9 be used to improve sewer system performance.

10 Hunters Glen has no sewer system. And the
11 application also indicates that maintenance costs
12 are not going to increase for water systems. That
13 was indicated in their application. This does not
14 support the case for improvements in their water
15 systems. It also does not provide sufficient
16 details to support the projected construction
17 costs; it just gives names.

18 And looking at the increasing hardship to
19 residents, we have many residents that are retired,
20 and some since 1981, and retirees don't get cost-
21 of-living increases.

22 **VOICE:** Amen.

23 **WITNESS:** So, I am also the chairman of
24 Hunters Glen Neighborhood Association, and we went
25 and polled the residents to see what they thought

1 about it, and we went around and I think we got
2 more than -- we had one individual that would not
3 sign a petition against the increase. I'd like to
4 present this to you [indicating]. That's all I
5 have to say.

6 **CHAIRMAN HOWARD:** Mr. Pittman's petition will
7 be entered into the record of the case as Hearing
8 Exhibit No. 5.

9 [WHEREUPON, Hearing Exhibit No. 5 was
10 marked and received in evidence.]

11 **CHAIRMAN HOWARD:** Mr. Elliott?

12 **MR. ELLIOTT:** Briefly, just one thing. I'd
13 like to thank Mr. Pittman --

14 [Laughter]

15 -- for driving up from Aiken. I'm from Aiken;
16 I know that drive.

17 **WITNESS:** okay.

18 **MR. ELLIOTT:** And please, while you're here,
19 as I've invited everybody else, stop by and see
20 those ladies downstairs if you have any questions.

21 **WITNESS:** Okay. Of course.

22 **MR. ELLIOTT:** Okay. Thank you.

23 **CHAIRMAN HOWARD:** Ms. Edwards.

24 **MS. EDWARDS:** Thank you, Mr. Chairman.

25 <

CROSS EXAMINATION**BY MS. EDWARDS:**

Q Mr. Pittman, one of the things that you said is that you had no quality-of-water issues.

A That is, there was ten years ago. But then, we had low pH and most of the copper piping in the houses was contributing to, you know, copper problems. Now, there's no standards for copper, so it's a nuisance, and they had to wind up correcting for the low pH, then treating the system, so, water quality issues, we don't have a problem.

Q Okay. And but you did say there were billing issues, but then I never heard --

A The billing issues, yes, we've had double billing, missed bills. Yes.

Q And would you say that that is your predominant complaint against CWS, other than obviously the rate itself?

A Yes.

Q Okay. So the rate itself and then the billing issues --

A Right.

Q -- would be your two top complaints?

A Yes.

MS. EDWARDS: Okay. Thank you, very much.

CHAIRMAN HOWARD: Mr. Pittman, just a minute.

Commissioners, any questions of Mr. Pittman?

[No response]

Mr. Pittman, thank you again for driving from Aiken. You may be excused. Thank you very much for being here.

WITNESS: Thank you.

[Applause]

[WHEREUPON, the witness was excused.]

MR. JONES: I'm Ryan Jones, and I'd like to defer to September.

MR. DONG: Thank you. Yes, sir.

MR. PORTUS: My name is Bruce Portus. I was the next on the list. And I'd like to defer until September 7th.

MR. DONG: Thank you, sir. The next on the list is William Brown, and following Mr. Brown will be Leland Sullivan.

[Witness sworn]

THEREUPON came,

W I L L I A M B R O W N ,

who, having been first duly sworn, testified as follows:

WITNESS: My name is William Brown. I live at 101 Potters Way, right around the corner. It's 29073. I think I'm the odd man out, here. I'm not here to complain about the quality of water. I'm

1 not here to complaint about the customer service;
2 I've never made a phone call. My bills -- yeah,
3 while they may be inaccurate on occasion, but, you
4 know what, if I don't get a bill one month I lay
5 the money aside and I pay it the next month.

6 My problem is management. If you listen to
7 the people that talked about their billing
8 problems, a billing problem that's ongoing is not a
9 billing problem; it's a management problem. If you
10 listen to the people that talked about customer
11 service, a customer service problem that's ongoing
12 and repetitive -- going on over and over -- is not
13 a customer service problem; it's a management
14 problem. And a rate filing for an increase the
15 size of which they're talking about is not a rate
16 -- it's not a request -- not a reasonable request
17 for a rate increase at all; it's a problem with
18 management.

19 So until they can get their management
20 together so that they can properly run this company
21 and provide value for the dollar, I'm sorry, I'm
22 not in favor at all for the kind of an increase
23 that this company is proposing. That's it for me.

24 [Applause]

25 **CHAIRMAN HOWARD:** Thank you, sir. Mr.

1 Elliott.

2 MR. ELLIOTT: I will thank Mr. Brown, and this
3 time I won't invite him to see customer service --

4 [Laughter]

5 -- but I will invite him -- we do have
6 management here, and if you would like to linger, I
7 would introduce them to you after the meeting.

8 Thank --

9 WITNESS: You betcha.

10 MR. ELLIOTT: -- you, very much.

11 CHAIRMAN HOWARD: Ms. Edwards.

12 MS. EDWARDS: No questions. Thank you, very
13 much.

14 CHAIRMAN HOWARD: Commissioners.

15 [No response]

16 Mr. Brown, thank you for coming.

17 [WHEREUPON, the witness was excused.]

18 [Witness sworn]

19 THEREUPON came,

20 L E L A N D S U L L I V A N ,

21 who, having been first duly sworn, testified as follows:

22 WITNESS: My name is Leland Sullivan. I live
23 at 525 Harbor Place Court, Lexington.

24 The problems with Utilities, Carolina Water,
25 is, like you said, it's management and business

1 practices. We've had -- when we first moved in '95
2 we were on the well system. Pumps go bad, we'd run
3 out of water. That got corrected; they connected
4 to the Lexington joint system. Water got better,
5 but right at the start we had low pressure. We
6 live kind of up on a hill. Down below Harbor
7 Heights Drive, they were blowing water pipes in
8 homes; they cut the pressure back. They ought to
9 put in a pressure-control valve to regulate where I
10 can get the same pressure as people down the hill
11 would. You know, I should get the same quality
12 service.

13 We've had problems with them -- water leaks,
14 pipes bursting. A particular case was a neighbor
15 three doors down, they had -- and this was about
16 three years ago. They had to come back and repair
17 the pipe twice. The neighbor called and asked
18 them, you know, that the water's running out there,
19 and, you know, who's paying for that? And they
20 told him that they check their master meter, and
21 they check all the meters in the neighborhood; if
22 it doesn't balance out, they charge the
23 neighborhood for the water that they are losing
24 because of their bad pipes.

25 **VOICES:** Yeah.

1 **WITNESS:** And that is not right.

2 [Applause]

3 That's a part of the cost of doing business.
4 You do business, you have pipes break, you lose
5 product, you don't charge them for it; you eat that
6 within your practice.

7 Also, we've had a sewer main from the lift
8 station break up at the top of the neighborhood.
9 Again, they had to repair that twice, and that was
10 just about six months ago. And sewer's running
11 down the streets, but, you know, they were out
12 within a day, got it stopped, tried to repair it.
13 Had to come back and repair in a different spot,
14 and then finally about three months later come back
15 and got the road repaired.

16 Had problems with billing. I've got -- just
17 the latest one, this month, last Thursday I got a
18 bill that runs from April 27th to May 27th.
19 Tuesday, I got another bill from them for the same
20 month for the same amount. You know, their
21 duplicate billing is just a waste of paperwork.
22 You know, if they would manage and get a system in,
23 they can cut costs there by sending this thing out
24 twice.

25 Looking at the year's history, May last year I

1 used no water.

2 [Laughter]

3 September last year, I used no water. And
4 like I said, my bill goes through May. Well,
5 they're already showing my June bill over on this
6 yearly chart, and it's going to be more than \$160
7 -- probably be about \$180, but that's because I
8 have to water the lawn. The neighborhood -- you
9 know, I can't let the lawn die and turn brown.
10 But, you know, I'm not arguing that price, but if
11 they can show that already June is there and it's
12 on this chart, why can't they catch me up to
13 billing? You know, they've got June there. Go
14 ahead and keep me month-to-month. We were -- you
15 know, skipped bills last year, or I'd get two
16 months' worth. Skip a bit, I think two months, and
17 then I got another two months' bill, and that was
18 to catch us up within a month. Well, now we're
19 back behind two months. So, you know, those things
20 like that could be corrected to save costs, and
21 they wouldn't need an 80-some percent rate
22 increase, which is ridiculous -- and that's been
23 well stated. I'm not going to go on with that.

24 But you know, just the quality -- March, we
25 had a water-boil notice and it was posted on the

1 sign at the thing. And, you know, I have to say I
2 did get an automated message on the answering
3 machine, you know, a boil-water notice, but it
4 lasted for three days before they come and got the
5 sign and then, you know, did another automated
6 message to -- you know, you could stop boiling the
7 water.

8 So I think if they do better -- and one other
9 thing. After we connected, it allowed Carolina
10 Water to charge us a carrying charge for using
11 their pipes. I called the Service Commission and
12 found that it was like \$1.63, I think, at that
13 time, per thousand gallons. This was probably two,
14 two and a half years ago. I look at the bill now,
15 the water supply charge has gone up to \$2.03 per
16 thousand gallons, and in addition to that they're
17 allowed to charge me a water distribution base
18 charge just for using the pipes. All this is
19 coming free money until they have a problem with
20 the pipes, and then they want to charge us for it
21 instead of doing it as a cost of business. Thank
22 you.

23 **CHAIRMAN HOWARD:** Thank you. Mr. Elliott.

24 **MR. ELLIOTT:** I'd like to just thank Mr.
25 Sullivan for coming out. And if you can linger, I

1 can introduce you to any of a number of people who
2 can address your questions. So, if you have time,
3 I'd appreciate it.

4 **WITNESS:** Thank you.

5 **CHAIRMAN HOWARD:** Ms. Edwards.

6 **MS. EDWARDS:** Thank you, Mr. Chairman. May I
7 approach --

8 **CHAIRMAN HOWARD:** Please.

9 **MS. EDWARDS:** -- Mr. Sullivan?

10 **CHAIRMAN HOWARD:** Yes, you may.

11 **CROSS EXAMINATION**

12 **BY MS. EDWARDS:**

13 **Q** You hit on a point, Mr. Sullivan, that I would like to
14 take a moment -- you have a bill here dated June 30,
15 2011; is that correct?

16 **A** Yes.

17 **MS. EDWARDS:** And for purposes of the -- may I
18 go ahead and have this marked for identification
19 and moved into the record as the next hearing
20 exhibit?

21 **CHAIRMAN HOWARD:** Hearing Exhibit No. 6.

22 [WHEREUPON, Hearing Exhibit No. 6 was
23 marked and received in evidence.]

24 **MS. EDWARDS:** Okay.

25 <

1 **BY MS. EDWARDS:**

2 **Q** And in looking at this right here, it looks like you're
3 being billed for 30 days; is that correct?

4 **A** Correct.

5 **Q** You're at 9,780 gallons?

6 **A** Correct.

7 **Q** And it's for the period of -- can you provide the period
8 of time?

9 **A** From April 27, 2011, to May 27, 2011.

10 **Q** But your bill date is?

11 **A** June 30, 2011, and the due date is 7/25 -- July 25,
12 2011.

13 **Q** So would it be easy for you to know what -- or to track
14 your usage, if you're being billed in this type of
15 delay?

16 **A** I can't go look at the meter and get any of those
17 numbers. I mean, you know, the numbers never agree -- I
18 can't go back to 4/27 and read the meter daily or
19 anything, to start recording.

20 **Q** But with the delay, if you were to go look at your
21 meter, and your bill was delayed until June 30th, you
22 wouldn't necessarily know or be able to look back and
23 see that --

24 **A** I wouldn't know what I used at that time period.

25 **Q** Do you think you would be in a better position if you

1 were billed -- if your bill date was closer to your
2 meter-read date?

3 **A** It would be a lot better. But I know when I'm watering
4 grass -- and like I said, June is already out here, and
5 it looks like it's going to be \$180, where it's \$90
6 it's --

7 **Q** And you also mentioned the water supply charge of
8 .0027032. Is that what is correctly reflected on your
9 bill?

10 **A** That's what the bill shows, and I assume that's their
11 purchase from the Joint Commission, and that was -- the
12 amount of that is \$26.44. The carrying charges add up
13 to \$30.94.

14 **Q** Do you understand that there is a difference between the
15 meter -- the charge that is billed to Carolina Water
16 Service, that meter reading, versus, say, the charge at
17 your own meter of -- in other words, do you understand
18 that if you took 9,780 gallons times that rate, that
19 you're receiving a pro rata charge amongst everyone in
20 your area who is on that same system?

21 **A** Right.

22 **Q** Okay. If instead you were billed at your meter, in your
23 example you said that the company's use of the water or
24 loss of water, do you believe that you should be billed
25 for only the water that you have actually used --

1 **A** Yes.

2 **VOICES:** Yes.

3 **Q** -- versus the master meter?

4 **VOICES:** Yes.

5 **WITNESS:** Yes. I mean, if I use it, I pay for
6 it. But if they have a broken pipe because of poor
7 quality, I'm not paying for that water. I
8 shouldn't have to pay for it.

9 **VOICE:** Amen.

10 **WITNESS:** That's a cost of doing business.

11 I'm --

12 [Applause]

13 -- an engineer; I know about business. It's a
14 cost of doing business. That means you need to go
15 put in new pipes.

16 **BY MS. EDWARDS:**

17 **Q** And if the company is using for legitimate use -- let's
18 say, for flushing purposes to meet mandatory
19 requirements, flushing of the lines -- is it your
20 position that any company usage of that water should not
21 be charged on this line item?

22 **A** If the company uses the water, the company should take
23 the cost of the water.

24 **Q** [Indicating.]

25 **A** You can have that.

1 **MS. EDWARDS:** That concludes my cross
2 examination. Thank you.

3 **CHAIRMAN HOWARD:** Commissioners.

4 [No response]

5 Mr. Sullivan, thank you for coming.

6 **WITNESS:** Thank you.

7 [Applause]

8 [WHEREUPON, the witness was excused.]

9 **MR. DONG:** The next witness is Donna Forrest,
10 and behind her will be Douglas Dickens.

11 [Witness affirmed]

12 THEREUPON came,

13 **D O N N A F O R R E S T ,**

14 who, having been first duly affirmed, testified as follows:

15 **WITNESS:** I'm Donna Forrest. I live at 1
16 Holly Ferry Court, in Lexington. That's at Land's
17 End Condominiums.

18 I'm a single woman. My bill is usually
19 between \$60 and \$70 a month. It's a condominium.
20 I don't water grass; I don't wash a car. It's just
21 me. And the water quality there is terrible. I
22 don't use any water that is not filtered. My next-
23 door neighbor says she doesn't give it to her dog
24 unless it's filtered.

25 We often have boil-water advisories. We also

1 have a sewage lift station that the odor is
2 unbearable. The people that live up at that end of
3 our complex, I don't know how they stand it. I'm
4 down in the point, so other than driving by there,
5 I don't really get it.

6 There was a period of time several years ago
7 that I had constant sewage backups. I never knew:
8 If I flushed the toilet [indicating], my whole
9 downstairs would be flooded. Complain, complain,
10 complain, and that's when they actually had an
11 office in Columbia. Finally I just took all the
12 towels, all the mops, all the everything that I had
13 cleaned up this mess with, and I went to their
14 office, and I sat there and I said, "I'm not
15 leaving till I see somebody about this." And
16 "We'll pay you for the towels," we'll do this,
17 we'll do that.

18 Well, it continued to happen until finally,
19 about two years ago, they did \$20,000 worth of
20 damage in my condominium. My insurance company,
21 State Farm, sued them, and they did pay for it, and
22 at that time they finally put a camera down there
23 and there was a crushed sewer pipe out there. So
24 there was no stopping it if I had not just
25 absolutely gone crazy -- which I admit that I did.

1 [Laughter, applause]

2 I guess that's all I can say, other than I
3 think their rates are outrageous. I live on Social
4 Security. What am I supposed to do with a double
5 water bill?

6 **VOICE:** Amen.

7 [Applause]

8 **VOICE:** It won't get paid next month.

9 **WITNESS:** Pardon?

10 **VOICE:** It won't get paid next month.

11 [Laughter]

12 **CHAIRMAN HOWARD:** Mr. Elliott.

13 **WITNESS:** But, oh, one more thing. They draft
14 my bank account for my water bill -- which is
15 convenient -- but yet, I got a shutoff-water
16 notice.

17 **VOICE:** No. No.

18 [Laughter, additional indiscernible
19 speech/utterance(s) from audience]

20 **WITNESS:** And when I called to say, "But you
21 draft my account," your customer service said, "Oh.
22 Ignore that."

23 **CHAIRMAN HOWARD:** Mr. Elliott.

24 **MR. ELLIOTT:** I want to thank Ms. Forrest for
25 coming by tonight. Obviously it's important to

1 you, and it's important to us to hear it. And it's
2 a sincere offer; please linger, if you like, and
3 talk to these ladies downstairs --

4 **WITNESS:** Okay.

5 **MR. ELLIOTT:** -- and these gentlemen up here.

6 **WITNESS:** Thank you.

7 **CHAIRMAN HOWARD:** Ms. Edwards.

8 **CROSS EXAMINATION**

9 **BY MS. EDWARDS:**

10 **Q** Good evening.

11 **A** Hey.

12 **Q** You mentioned that they draft your bank account and you
13 got a shutoff notice?

14 **A** [Nodding head.]

15 **Q** Was there any kind of -- they said to ignore it, but did
16 they give you any late charges or any kind --

17 **A** No.

18 **Q** -- of rate penalties or anything of that nature?

19 **A** No.

20 **Q** Did your service actually get shut off?

21 **A** No. I called as soon as I got the notice. I said, "How
22 can you shut this off? You draft my account every
23 month." "Oh. Forget it. Ignore it."

24 **Q** Thank you.

25 **A** Okay.

1 **CHAIRMAN HOWARD:** Commissioners.

2 [No response]

3 **WITNESS:** Thank you.

4 **CHAIRMAN HOWARD:** Ms. Forrest, thank you very
5 much for coming.

6 [Applause]

7 [WHEREUPON, the witness was excused.]

8 **CHAIRMAN HOWARD:** Our court reporter is having
9 a rough time, so at this time we'll take about a
10 ten-minute break. Thank you, very much.

11 [WHEREUPON, a recess was taken from 7:45
12 to 8:00 p.m.]

13 **MR. DONG:** Is Mr. Dickens still present?

14 [No response]

15 Okay. We'll move to Lynn Moseley.

16 [Witness sworn]

17 THEREUPON came,

18 **T . L Y N N M O S E L E Y ,**

19 who, having been first duly sworn, testified as follows:

20 **WITNESS:** I'm Lynn Moseley. I've lived in my
21 house in Golden Pond -- it's 199 Golden Pond Drive,
22 Lexington, 29073. I bought the house in 2000. And
23 I am here -- Mr. Anderson -- actually his wife,
24 Channing, taught my son -- and you can tell that he
25 was a high school teacher because he was speaking

1 of high school literature. Well, I'm going to talk
2 to you about elementary literature. I teach three
3 jobs, and that's what it takes for me to raise my
4 three children. I'm a single mother. I have to
5 have three jobs. I went back and got my Master's
6 this year. I'm 54 years old. I've tried
7 desperately and I'm trying to go for the National
8 Boards to do anything I possibly can to make it so
9 that my income will meet, but we have not had a
10 cost-of-living increase in Lexington Two in two
11 years.

12 So anyway, so I'm going to speak of Dr. Seuss,
13 and he has this great book called *The Lorax*, and
14 there's this guy called the Once-ler, and he speaks
15 for the Truffula Trees, because there's this
16 machine that's going and it's cutting down all the
17 trees and it's making a business; smoke's going up
18 in the air and things are all -- you know,
19 wonderful, business, business, business. And then
20 all of a sudden there's one tree left. And the
21 Once-ler gets up on the stump and he says, "I speak
22 for the trees." Well, I'm speaking for all the
23 people in my subdivision that weren't here with me
24 tonight, that were very much wanting to be. It's
25 very late now, and I know that probably half of

1 them have gone home.

2 But yes, my water quality is not what I
3 expect. I've lived all over the country. I can
4 smell chlorine. I do not drink water out of my
5 spigot. My children don't. I don't, again, give
6 it to my animals, as well. I lived in Los Angeles
7 for many years; I understood the hard water, I
8 understood why I had to have reverse osmosis
9 underneath my sink. I'm to the point of having to
10 do that, as well, here. I use the Brita and the
11 Pur and all those different things to try to not
12 have to spend the money because I don't have it,
13 but I'm here just to speak for all of us that don't
14 have the money to have this exorbitant price
15 increase, and just would beg that you listen to us.
16 And that's all.

17 [Applause]

18 **CHAIRMAN HOWARD:** Thank you. Mr. Elliott.

19 **MR. ELLIOTT:** Thank you, Ms. Moseley, and
20 there are many responsible people here who can
21 answer any questions you might have, whether it's
22 customer service or the management staff here, so
23 please feel free to stop and speak to one of us.

24 **WITNESS:** Thank you, sir.

25 **MR. ELLIOTT:** Thank you.

1 **CHAIRMAN HOWARD:** Ms. Edwards.

2 **CROSS EXAMINATION**

3 **BY MS. EDWARDS:**

4 **Q** We have some records where we keep track of addresses,
5 and one of the things I've been noticing -- and this is
6 why I'm asking the question.

7 **A** Yes, ma'am.

8 **Q** You said you've been at this address, 199 Golden Pond
9 Drive, since 2000?

10 **A** Right.

11 **Q** Okay. We're showing -- for some reason, we're showing
12 June 19, 1990. That's nowhere near correct, right?
13 You've only been there --

14 **A** Oh, excuse me, I apologize. Yes, you're correct.
15 That's when I moved there. Sorry.

16 **Q** Okay.

17 **A** Yeah.

18 [Laughter]

19 Sorry. Well, I mean, 1990. You're right. And --
20 you're right. No. The house was built then. I
21 apologize. I moved in in 2000. In '90, I was living in
22 Los Angeles.

23 **Q** Okay.

24 **A** I moved there in 2000. There was a family before me. I
25 don't recall their name. But the house was built in

1 '90. I moved in in August of 2000. That's how I can
2 remember how many years I've lived there.

3 **Q** Okay. Thank you for your time. Like I said, we just
4 wanted to check our records.

5 **A** Yes. And mine's the same as everybody else. I have the
6 same complaints as far as, you know, actually, the month
7 that we didn't get billed, I sent my payment in anyway,
8 like an estimate, because mine is about \$77 a month.
9 And I sent in \$80, and I blew them out of the water.
10 They started double charging me for it, and I had to
11 call them and say, "Excuse me, but, you know, I can show
12 you my statement where I..." so on and so forth, and
13 eventually we figured it out, but it took quite a number
14 of months.

15 **MS. EDWARDS:** Mr. Chairman, may I ask a
16 follow-up, in light of the additional testimony?

17 **WITNESS:** I'm sorry.

18 **MS. EDWARDS:** No, no, that's --

19 **BY MS. EDWARDS:**

20 **Q** Did that happen in the 2009-2010 timeframe?

21 **A** Yes.

22 **Q** Could you give us copies of your bills?

23 **A** I'd be happy to.

24 **MS. EDWARDS:** Okay. May I -- Mr. Chairman --

25 **CHAIRMAN HOWARD:** It'll be a late-filed

1 exhibit.

2 MS. EDWARDS: Okay. And, yes, if you could
3 get with Mr. Kirby. Thank you.

4 CHAIRMAN HOWARD: Ms. Moseley, just a second.
5 Ms. Moseley, just a second.

6 WITNESS: Oh, I apologize.

7 CHAIRMAN HOWARD: Your bill will be entered
8 into the record of the case as Hearing Exhibit No.
9 7.

10 Commissioners, any questions of Ms. Moseley?

11 [No response]

12 Ms. Moseley, thank you for coming.

13 WITNESS: Thank you, sir.

14 [Applause]

15 [WHEREUPON, the witness was excused.]

16 MR. DONG: Julia Hess? And behind Ms. Hess I
17 have Gil Morris.

18 [Witness sworn]

19 THEREUPON came,

20 J U L I A H E S S ,

21 who, having been first duly sworn, testified as follows:

22 WITNESS: Hi, my name is Julia Hess. I live
23 at 111 Marianne Court, right around the corner
24 here.

25 My issues are -- I kind of wanted to ask you

1 to look at this not just from a business
2 standpoint, but sort of think of us as your family,
3 people that you know and love, and may, if they
4 were in our position, could be you or could be your
5 kids.

6 I'm a single person. I have very low water
7 usage, I believe. I live by myself. I have a
8 couple of dogs. I use my dishwasher like once
9 every two weeks because I don't really cook. It's
10 just me. I do water my grass sometimes. I've got
11 the HE washing machine that conserves on water, you
12 know, that kind of thing.

13 My bills -- I've lived there two years, and
14 they have run from -- my usage is like 2,700
15 gallons to 1,400. And I don't see how that
16 discrepancy could've happened. They came out and
17 measured -- you know, did a little test, and they
18 said it's okay to be within 3 percent of whatever,
19 and they said that, yes, I was clear. But I'm not
20 doing anything different really from month to
21 month. I'm pretty conservative, really. I don't
22 entertain at home, you know, all that kind of
23 stuff.

24 So my bills have ranged from \$65 to just under
25 \$200, doing the same thing. So I'm not

1 understanding. It's just not logical to me.

2 Something has happened there.

3 But for a while my bills were being posted to
4 the wrong account. And, boy, was that -- it took
5 like six months to get that straightened out. They
6 kept saying, "Okay, you need to call back and talk
7 to..." so-and-so, and she was never there, and when I
8 finally got her, "Oh, yes, ma'am, you've got the
9 right one, and we'll work on this," and I felt so
10 good, like, wow, I've got the right person. "And
11 tomorrow you can call back at..." such-and-such a
12 time "...and we'll have this for you," and it was
13 never the same person, and I had to tell the story
14 over and over and over and over. It took about six
15 months for them to reimburse me. But they did, you
16 know, the amount they had posted to the wrong
17 account. I'm not trying to make anything bigger
18 than it is.

19 I will say that I've received late fees. And
20 I've just paid them. I just -- you know, my job is
21 very stressful. I don't really have the time to
22 duke it out over a few dollars. But I do feel like
23 -- I mean, I've lived in Columbia my whole life,
24 and my water bill was always like \$11-\$22, and
25 nobody told me when I moved here that my water bill

1 was going to be like a small car payment, or
2 something.

3 [Laughter]

4 I mean, really, I didn't have that in my
5 budget, honestly. And I haven't gotten a raise in
6 a couple of years; you know, the economy is tight,
7 really. I don't have a husband, anybody to support
8 me or help back me up. It's all me. And I'm
9 concerned. An 80 percent increase is a lot, and 14
10 percent on that \$39 is a lot -- for me.

11 So I'm just saying, as one human being to
12 another, you know, not trying to be testy with you
13 or anybody, just, what's reasonable and fair --

14 **VOICE:** Nothing.

15 **WITNESS:** -- would be --

16 **VOICE:** That's right.

17 **WITNESS:** -- what I would ask you to consider.
18 And that's all I have. I do actually have most of
19 my bills here from the two years that I've lived
20 here, including my I'm-going-to-threaten-to-cut-
21 your-water-off notices. I do have a period of time
22 -- most of those that you were asking about, and
23 I'm happy for you to make copies of them or
24 whatever, if that would help you. That's all I
25 have to say.

1 **CHAIRMAN HOWARD:** Ms. Hess's bills will be
2 entered into the record as Hearing Exhibit No. 8.

3 [WHEREUPON, Hearing Exhibit No. 8 was
4 marked and received in evidence.].

5 **MS. EDWARDS:** Mr. Chairman, if she could give
6 her bills, I guess, to Jo or to ORS -- whichever
7 you prefer -- we're happy to make the copies for
8 her and send them back, or if you think it's more
9 appropriate she may want to hand them to Jo.

10 **CHAIRMAN HOWARD:** Yeah, will you please hand
11 it to Ms. Wheat, the court reporter?

12 **WITNESS:** Yes, sir [indicating].

13 **CHAIRMAN HOWARD:** Mr. Elliott.

14 **MR. ELLIOTT:** Mr. Chairman, as with all these
15 kind folks who have been here, thank you so much
16 for coming. And we do have -- you know, we've got
17 the customer service people downstairs, we have
18 management up here. If you have any questions,
19 please linger, and I'll make sure you get your
20 questions answered.

21 **CHAIRMAN HOWARD:** Ms. Edwards.

22 **CROSS EXAMINATION**

23 **BY MS. EDWARDS:**

24 **Q** Julia, one quick question. You mentioned -- did
25 somebody come out and test your meter?

1 **A** They did. I gave that test to this gentleman
2 [indicating].

3 **Q** Okay. But from one month to the next, your bill can go
4 anywhere from \$65 to \$200. Has it only gone up, or did
5 it -- I mean, it goes up and down?

6 **A** Uh-huh.

7 **Q** And do you irrigate your lawn or anything of that
8 nature?

9 **A** Our homeowners association comes around at a certain
10 time and they turn it on, but I turn it off because I
11 really couldn't afford it, and then I felt bad because I
12 didn't want my grass to die and look, you know, bad to
13 the neighbors. So I water, now, ten minutes three times
14 a week -- just the front yard. I don't do the backyard
15 grass, because they can't see it. And, yeah, I do some
16 irrigating. I don't think I do 14,000 gallons' worth,
17 because my lot is about as big as a postage stamp.

18 **Q** Now, you said 14,000 gallons. Is it 27,000 to 14,000
19 gallons? Is that what you were saying earlier?

20 **A** Yeah, it was like 27-and-some-change and 14-and-some-
21 change. But that's the discrepancy. I don't understand
22 how that can happen, but they're saying that it's within
23 that 3 percent variation, so apparently it's not off
24 according to the meter, but I'm not doing anything
25 different other than a little bit of watering, ten

1 minutes a day three days a week in the front. I don't
2 know. And I mean, you can see the bills.

3 **Q** Could you get with Mr. Kirby and -- and so that he can
4 get some information from you?

5 **A** Sure.

6 **Q** I appreciate it. Thank you, very much. And thank you
7 for bringing your information.

8 **A** You're welcome.

9 **CHAIRMAN HOWARD:** Commissioners.

10 **COMMISSIONER HAMILTON:** Yes, one.

11 **EXAMINATION**

12 **BY COMMISSIONER HAMILTON:**

13 **Q** Ms. Hess, you said you were a single homeowner, and your
14 usage is 27,000 gallons?

15 **A** 2,700.

16 **Q** Hundred.

17 **A** -- to 14,000.

18 **Q** 2,700 to 14,000.

19 **A** Yes, sir. And it's just me.

20 **Q** And no difference in the usage, you -- I believe you
21 stated in your testimony that the usage was primarily
22 the same?

23 **A** Yes, sir. I'm kind of -- I don't use a lot of water, in
24 my opinion. I mean, to me, to have bills that would
25 approach the \$200 mark, I would need to have lots of

1 kids and, you know, lots of activities going on in my
2 house, and I really don't.

3 **Q** Is this a consistent thing that happens as you're going
4 from year to year, that you'll have a real low month and
5 then a high month?

6 **A** It was more in the beginning. I've lived there two
7 years. I moved there in May of 2009, and in the
8 beginning the bills were really, really, really high.
9 And then we had a meeting. Senator Knotts called a
10 meeting and he went to bat, and then the bills started
11 getting a little bit lower with some spikes here and
12 there. And now they're -- I'd say they're probably
13 averaging in the, you know, \$65 to \$80-something. But
14 really I still think that's incredibly high for one
15 person.

16 **Q** And the meter check stated it was correct?

17 **A** Sir?

18 **Q** I believe you said you had the meter checked?

19 **A** Yes, sir -- well, the water company did. They came out
20 and checked our meters, and I submitted the statement
21 that said it's within the 3 percent error that's
22 allowable. So apparently my meter was working
23 correctly, according to that test.

24 **Q** Okay. Thank you, ma'am.

25 **A** Yes, sir.

1 **CHAIRMAN HOWARD:** Commissioners, any other
2 questions?

3 [No response]

4 Ms. Hess, thank you very much.

5 **WITNESS:** Thank you.

6 [Applause]

7 [WHEREUPON, the witness was excused.]

8 **MR. DONG:** Gil Morris?

9 [No response]

10 Shannon Hill?

11 [No response]

12 Kimberly Stammire?

13 [Witness sworn]

14 THEREUPON came,

15 **K I M B E R L Y S T A M M I R E ,**

16 who, having been first duly sworn, testified as follows:

17 **WITNESS:** Hello, my name is Kimberly Stammire.

18 I live at 145 Volley Court, Lexington, South
19 Carolina 29073, which is located in the patio homes
20 right behind us.

21 The \$700 bill that Senator Knotts mentioned
22 earlier, I'm the poster child for Carolina Water's
23 errors in billing. I'm the one who got the \$700
24 bill. What happened was, I bought my home three
25 years and two weeks ago, today. For nine months,

1 every single month, I called Carolina Water asking
2 for a bill. Nine months. I was told, "We'll get
3 to it." "They're backlogged." "Our computer
4 system is, you know, messing up." Yada, yada,
5 yada. I finally got a bill nine months later for
6 \$700.

7 Now, I am a -- was, at the time, a single
8 mother, with a child, living in a patio home. I
9 lived in Los Angeles for 18 years. I'm different
10 than a lot here, because I try to live as green as
11 possible. There is a bucket outside that catches
12 rainwater that I water my bushes with. I do not
13 waste water. My son, who is ten, can explain to
14 all of you how valuable water is, and why we don't
15 waste it. And apparently, Carolina Water needs
16 some education on that, because there is no way in
17 this world that in those nine months my son and I
18 used \$700 worth of water.

19 Now, they were kind enough to put me on a
20 payment plan, which I was eternally grateful for.
21 The reason that this whole thing came to light was
22 because at that point I started hearing from my
23 neighbors that I was not the only one whose billing
24 was completely messed up. So I went to Senator
25 Jake Knotts, who then got in touch with the

1 Commission. And, bless their hearts, they have
2 listened to me, they have copies of all my bills,
3 they have endured a lot. They took meetings with
4 us, they dealt with handling investigating. None
5 of us have gotten money back. None of us in my
6 area that they stole from us, basically -- which is
7 what they continue to do. They continue stealing
8 from us.

9 We just had our water cut off because our bill
10 was four days late and my check apparently didn't
11 get to -- where is it? -- Maine in enough time.
12 Four days. They cut off my water. Then they
13 charged me \$35 to have it cut -- turned back on.

14 **VOICE:** Oh, yeah.

15 **VOICE:** Hm-mm.

16 **WITNESS:** Now this was not only me but two of
17 my neighbors at the exact same time. The same
18 gentleman turned all three of ours off at the same
19 time. All three of us got hit with a \$35 fee. My
20 problem with this whole situation is, I would like
21 to know what the CEO of Carolina Water makes. I
22 would like to know if he is getting an 80 percent
23 rate increase. Better than that, I would like to
24 know if his mother is. Would he do this to his own
25 mother? I would really like to know that. Are any

1 of you affected by this? Because to me, I don't
2 believe that we should be having to pay for their
3 costs that they've incurred at other areas and
4 avenues. I do not also believe that I should be
5 paying for whatever meals they're eating; the CEOs,
6 their meetings they're having; the jets they fly
7 around on. There is no way that my neighbors and I
8 should be incurring their costs. When I bought
9 this home, I heard about the [indicating] "liquid
10 gold" that ran through these pipes and I, like
11 others, had no idea what I was getting myself into.
12 But I have my last -- my most latest bill, which
13 says that we have used 8,760 gallons for the months
14 from April 19th to May 24th.

15 I do not water my lawn. You can ask the head
16 of the HOA, because -- yes, like Julia said, they
17 come around and they turn them on -- mine is
18 padlocked, and they've been informed that if they
19 break that padlock they will incur some costs,
20 because I will sue them for destruction of
21 property. They're not turning on my water. My
22 bill is \$106.19. That's going to go up 80 percent?
23 I believe that's, what, \$84-and-something that I'll
24 have to pay? And I honestly do not see that that
25 is fair.

1 When I lived in Los Angeles, the highest water
2 bill that I paid in the 18 years that I lived there
3 -- during a drought -- was \$26. That's Los Angeles
4 County, and apparently it's more expensive there
5 than it is here. They don't even know what
6 Lexington, South Carolina, is, but apparently we
7 pay more than they do. They were shocked. My
8 neighbors and friends out there are shocked at how
9 much I pay here.

10 Now, I honestly understand that they're asking
11 for an 80 percent rate increase. I'd like to
12 make a motion for an 80 percent rate reduction.
13 We have --

14 [Applause]

15 -- paid enough. We have paid enough. My
16 parents have lived here, and they have owned a home
17 in West Columbia -- they couldn't be here tonight,
18 but they're Carolina Water, as well. They built
19 their house in 1972. They've been on Carolina
20 Water ever since. My parents are on a fixed
21 income. I do not like the fact that my mother and
22 my father, who have paid taxes in the City, in this
23 State, are now going to have to decide whether they
24 can afford my father's heart medication, his blood
25 pressure medication, or if they're going to pay for

1 their water.

2 Again, I'd like to ask them -- ask the head of
3 Carolina Water -- if he could do this to his own
4 mother. And I'd also like to know how they sleep
5 at night, because I know it's probably on down
6 sheets that my friends and my neighbors here have
7 paid for.

8 So I, in all honesty -- I don't want to stand
9 up here and completely bash them, but I have got
10 nothing to say positive about this company. Every
11 time I have called, when it was -- when they were
12 over on Chris Drive, I got, "Well, uh, I don't know
13 what to tell you about that. I have a well in my
14 backyard." No lying, a woman told me that.

15 I have never had a positive experience with
16 customer service with them. My bills -- I still --
17 they are sporadic. The bill that I got that they
18 came and turned off my water for, I never even got
19 that bill, and yet they turned off my water, then
20 wouldn't waive the fee. So I would really honestly
21 like to ask all of you to put yourself in our
22 position, because every single one of you sitting
23 up here, honestly, unlike the heads of Carolina
24 Water, I honestly think you have a heart and soul,
25 and what they are doing to us, they are raping

1 every single one of us. And we are sick and tired
2 of it. We are really sick and tired of it.

3 So I would -- please, please consider what
4 you're hearing here tonight, what you're going to
5 hear at the next Commission [sic]. There are
6 thousands of people who they're doing this to that
7 could not be here tonight. These people stood out
8 here in the heat and in the rain. They didn't get
9 listened to tonight, because this facility is not
10 big enough to hold them. Think about those people
11 as well, when you make your decision. I'm begging
12 you to do that.

13 And I appreciate you guys being here tonight,
14 and I appreciate Senator Jake Knotts for listening
15 to me a year and a half ago and bringing this to
16 the Commission in the first place. And please, I
17 am begging all of you to seriously consider what
18 they're doing to us and whether or not it's fair,
19 because I am telling you it is not fair. And I
20 could be your daughter, I could be your mother,
21 your wife. I could be somebody you love. So I'm
22 asking you to look at me that way, that I'm some
23 family member of yours who they're torturing,
24 because I can't afford this. My son can't afford
25 this. And I appreciate you listening to me

1 tonight. Thank you.

2 [Applause]

3 **CHAIRMAN HOWARD:** Mr. Elliott.

4 **WITNESS:** I want to thank you for being here,
5 and I'd like for you to go downstairs and they'll
6 listen to you. No. I appreciate it.

7 **MR. ELLIOTT:** Your questions are important,
8 and I think that you'll actually accept my offer.
9 I mean, we've got it soup to nuts. We've got
10 customer service here, we've got management. Every
11 question that you asked, if not rhetorically, here
12 tonight can be answered in this place.

13 **WITNESS:** Am I going to find out how much the
14 CEO makes a year? How much his bonuses were?

15 **MR. ELLIOTT:** There are people here who can
16 answer it. If it's public, I'm sure they will. So
17 why don't you ask?

18 **WITNESS:** I will.

19 **MR. ELLIOTT:** Good.

20 **WITNESS:** Thank you.

21 **MR. ELLIOTT:** They're here. Linger. I'll
22 introduce you.

23 **WITNESS:** Thank you.

24 **MR. ELLIOTT:** Thanks.

25 **CHAIRMAN HOWARD:** Ms. Edwards.

CROSS EXAMINATION**BY MS. EDWARDS:**

Q Hi, good evening. One question, as we were listening.

When was the shutoff? When did that happen?

A That was last month -- two months ago. Two months ago.

Q So it was recently.

A Yes, it was recent.

Q And you mentioned that they had not waived the \$35 fee?

A No. She kind of giggled a little bit when I asked for that, which was a little insulting. Yes. It was not waived.

Q It was not waived?

A No.

Q And this was a situation where you did not receive a bill?

A Huh-uh.

Q Have you ever received it since? Was it late in the mail, or anything like that?

A No, it's never arrived.

Q It's never arrived.

A Never arrived.

Q How did you know how much to pay for the next month?

A They -- oh, I waited. I mean, they informed me at that point how much my bill was, which I gave her a credit card over the phone and I paid immediately. And the

1 next bill came in the mail, but yet they're still -- I'm
2 being billed for April and May, and it's July.

3 **Q** Okay. Would you mind meeting with Mr. Kirby?

4 **A** Yeah, sure.

5 **Q** Thank you. Thank you, very much.

6 **A** Thank you. I appreciate you being here.

7 **MS. EDWARDS:** Thank you.

8 **CHAIRMAN HOWARD:** Commissioners, any
9 questions.

10 **COMMISSIONER FLEMING:** Mr. Chairman.

11 **CHAIRMAN HOWARD:** Commissioner Fleming.

12 **WITNESS:** Yes, ma'am.

13 **EXAMINATION**

14 **BY COMMISSIONER FLEMING:**

15 **Q** I just want to ask a question. You lived in LA?

16 **A** Yes, ma'am.

17 **Q** There, were you rewarded in the billing for not using?

18 **A** We actually were. Actually, Los Angeles County does do
19 that. They will give you price differences if you're
20 not watering your lawn and everything. We went through
21 a really bad drought at one point, and you actually were
22 awarded. You are rewarded for not using excessive
23 water, for conserving as much as possible. So we were.
24 That was a situation that we were.

25 **Q** And you like that type of --

1 **A** I loved it. I loved it. I mean, I'm -- I said I know
2 I'm a lot different than everyone here. It's only
3 because I, like I said, try to live as green as
4 possible. When I first came here, I was the first
5 person ever to walk, I think, into Piggly Wiggly with
6 the green bags -- I don't use plastic -- to the point of
7 where the manager ordered them and is now selling them
8 in his store because I begged him to get them there. I
9 don't -- I've always tried to live as green as possible,
10 and because this is my son's -- when I leave this earth,
11 he's going to have to live here, and his children, with
12 pollution, with all of that, so I'm trying to live as
13 green as possible.

14 So I would love it if they would, you know, allow
15 us something like that. I would absolutely love it.
16 And I would think it would be very progressive for the
17 State of South Carolina, which would really, I think, be
18 an amazing thing.

19 **Q** Thank you.

20 **A** Thank you, ma'am. Thank you.

21 **CHAIRMAN HOWARD:** Any other questions? Ms.
22 Stammire, thank you very much for coming.

23 **WITNESS:** Thank you, sir. I appreciate your
24 time.

25 [Applause]

1 [WHEREUPON, the witness was excused.]

2 MR. DONG: Margaret Moreland and Evalyn Ward.

3 [No response]

4 Neither Ms. Moreland nor Ms. Ward are here?
5 Steve Weston?

6 MR. WESTON: Yes, sir. My name is Steve
7 Weston.

8 [Witness affirmed]

9 THEREUPON came,

10 S T E V E W E S T O N ,
11 who, having been first duly affirmed, testified as follows:

12 WITNESS: My discussion is going to be a
13 little different from what's most people. My name
14 is Steve Weston. I have two companies: Steve
15 Weston Realty, which I do management; and I have
16 another company called We Two, Incorporated, which
17 is my wife and myself. We own five houses in Glen
18 Village. Used to be called Glen Village; most
19 people in the area still call it that. It was
20 named a few years ago to Whispering Oaks. But in
21 addition to that, I have four other houses that I
22 manage for someone else. So I've got nine houses
23 in Glen Village, which is all Carolina Water.

24 Over the years from early 1990s up until now,
25 I have probably bought, rented, and sold 20 houses

1 in that neighborhood. I'm very, very familiar with
2 Carolina Water, and very familiar with that
3 neighborhood.

4 Biggest problems that I have with them is not
5 reading the meters. Many times I get bills -- or
6 my tenants I have, sometimes, say, "Mr. Weston, my
7 bill is \$100-some," or this, that, and the other,
8 and I say, "It can't be. You know, you've only got
9 three people in the house," or four people in the
10 house, whatever it is. I say, "It can't be that
11 much." They say, "Yes, it is." I say, "Do you
12 have a washing machine?" "No, we don't." I say,
13 "Do you all take multiple baths a day, and so
14 forth?" They say, "No." And I say, "Well, how can
15 it be so expensive?" I said, "I just don't
16 understand that."

17 And so what I started doing about this past
18 year, I went around to most all these houses, and
19 most of the water meters, they're filling up with
20 sand because it's a sandy area. And you can open
21 just about any one of them and you can't even see
22 the meter, much less read the meter.

23 **VOICE:** That is right.

24 **WITNESS:** Okay? So what I did is I went over
25 there with a little shovel and I started digging up

1 the meters, and I would take all the dirt out of
2 there, and put it back in there.

3 The other problem was, several times I had
4 people who had a pipe burst. They couldn't get to
5 the meter to cut it off. Even with me coming out
6 there -- and I carry a water key in the back of my
7 car all the time, just in case. And sometimes
8 somebody calls me, I couldn't get somebody on the
9 telephone to alert me, the phone was busy or
10 whatever it was, if it was an emergency. And I
11 live in Irmo. I live on St. Andrews Road in Irmo.
12 I do not live in Glen Village. Those are rental
13 properties that I own, along with my wife, as well
14 as other people and I manage. But the problems
15 that we've had is, many times somebody's had a
16 burst pipe, I go flying down here from Irmo because
17 I can get there before the people from Water --
18 even when they were over here on Queens Avenue --
19 Queens Road -- whatever it is, over here in West
20 Columbia. So anyway, I'd go there, and I'd have my
21 flashlight if it was night, or daytime, whatever it
22 was. I'd get my water key out, and all I'd see was
23 dirt. You can't even see where the doggone thing
24 is. You have to dig the doggone thing up to get to
25 it, then when you dig the doggone thing up, whether

1 you take your hands -- which I've taken my hands
2 many times down in there and gotten dirt out, and
3 you see the doggone cutoff valve at an angle that
4 you couldn't get a doggone key on, so then I have
5 to take, you know, wrenches and just different
6 tools and so forth, to reach down in there to cut
7 the water off.

8 And the biggest thing is -- with this is, in
9 addition, the water is not good. I have to change
10 faucets usually about twice a year on all of these
11 houses I rent in the neighborhood because they fill
12 up with sand in all the little strainers that I
13 have that are on the spigots and so forth. I get
14 calls all the time from, "Mr. Weston, my water's
15 not running. It's not even hardly dripping." I go
16 out there and I have to take the thing out, and
17 it's full of sand. The reason I have to change out
18 the valves in the bathrooms and also in the other
19 area and so forth is because of the fact that the
20 sand gets in there and it eats them up. And it's
21 just much maintenance to deal with. I have people
22 sometimes I try to rent in the neighborhood, and
23 says, "Well, who has the water there?" And I say,
24 "Carolina Water." "I don't want that neighborhood.
25 I'm not going to use Carolina Water." And I lose

1 tenants because they have Carolina Water and they
2 know how high the water bill is.

3 [5-minute alarm]

4 I thank y'all for listening to me and I hope
5 that you'll put them down, because they do not need
6 this raise. Thank you.

7 [Applause]

8 **CHAIRMAN HOWARD:** Mr. Elliott?

9 **MR. ELLIOTT:** Mr. Weston, I appreciate your
10 coming out.

11 **WITNESS:** Yes, sir.

12 **MR. ELLIOTT:** And I do think, even if you
13 won't benefit, our customer service people might
14 benefit if you'd stop by and talk to them about
15 this, please.

16 **WITNESS:** Thank you, sir.

17 **MR. ELLIOTT:** Thank you.

18 **WITNESS:** Any questions?

19 **CHAIRMAN HOWARD:** Ms. Edwards.

20 **CROSS EXAMINATION**

21 **BY MS. EDWARDS:**

22 **Q** Good evening. I'm curious, on the discussion or the
23 testimony that you had on essentially the company not
24 reading the meters. If I understand it correctly, you
25 said something along the lines of taking the dirt out

1 and then put it back in?

2 **A** No. I'd take the dirt out and pull the whole unit out
3 so that I can get all the dirt out and then put it back
4 in place.

5 **Q** And you put the unit back.

6 **A** Then I pack around it and I dig all around the outside,
7 so the sand won't go back into it, because most of them
8 are on little slanted lots where they've got it buried
9 down, and when you have a hard, pouring rain, because
10 you have sandy land, the water pours down in there and
11 it fills it up. And many times I've gone -- when I've
12 gotten bills and somebody has told me about it -- I've
13 gone over there many times and dug it out and cleaned
14 off the glass, and you couldn't even read the numbers.
15 I'm talking about taking some water, washing the thing
16 and looking, and you can't even read the numbers on it.

17 **Q** Okay.

18 **A** And then another thing I've done -- several of them I've
19 done this -- I've cleaned them off good, and I've taken,
20 not masking tape but, you know, the plastic tape that
21 you can see through, put it over there. This is what
22 I've done sometimes for myself when it's one of my
23 houses. I've done that, and then I wait awhile to see
24 when I get the bill, and I make a reading of it and I
25 write it down on a piece of paper and I know exactly

1 what the numbers are and the date that I do it, so I can
2 see if it balances with what I get.

3 Now, last thing, if you don't mind me interjecting
4 one more thing, I, like some of the others, have had
5 problems with the billing. This past year I had three
6 houses at one time that I wanted water to be turned on.
7 Three of the houses were mine. I told the lady when I
8 talked to her on the telephone, I said, "Ma'am," I said,
9 "do not send the bills to my properties. These are
10 rental properties. They are vacant. All I want to do
11 is clean them up, paint them, do whatever repairs need
12 to be done, and put a tenant in them." And I never got
13 a bill. Never got a bill. The tenants move in, and so
14 forth, and I go see them later on. And all of a sudden
15 I go in there and I see a bill sitting on the counter.
16 And I told them, I said, "Well..." -- and then I called
17 them up and I explain, I say, "Look, I talked to some
18 lady there and I gave her all of my correct addresses,
19 told her exactly what the address was -- 6146 St.
20 Andrews Road, Columbia, South Carolina 29212 -- and make
21 it to We Two, Incorporated. Then, because it was months
22 down the road before I picked this thing up, I'd gotten
23 notices like some of the other people, that the water's
24 going to be turned off. Then they want to send me --
25 they did turn the water off a couple of times, before

1 the thing was occupied. And then the next thing was
2 they're charging me late fees and all this sort of
3 stuff. And I said, "This is ridiculous." I said,
4 "Y'all made the mistake, not me. I gave you the right
5 information."

6 And then recently I had them call me up, and they
7 said, "Mr. Weston," said -- they sent me a bill, and I'd
8 just moved in a tenant. And I said, "Look, you charged
9 me \$100 security deposit on this." I said, "I've been
10 dealing with y'all since the early 1990s." And I said,
11 "I've never paid a charge, because what I tell you is I
12 only need it for 30 days. I leave it on for 30 days, do
13 all my repairs and everything, then I turn it off."

14 And the other thing I told them, I said -- a little
15 over a year ago I had a house the lady had been in for
16 15 years. She moved out West. I had the water turned
17 on in December. This is December of 2009, if I remember
18 correctly. We got it fixed and everything. I put a
19 tenant in there. It was hard to get done because of the
20 economy being it was, and had a lot of vacancies at one
21 time. I got somebody in there in May of 2010. Okay. I
22 called to tell the people moving in they needed to turn
23 the water on. They wouldn't turn on. I said, "Why
24 not?" They said, "You've never paid your bill." I
25 said, "What do you mean, I haven't paid the bill? I

1 never got a bill." I said, "I turned it on in December
2 and when we were through in January, I turned the meter
3 off myself and told you all that the meter was off and
4 send me my final bill, and I gave you my address, and I
5 never got it." Then they gave me a bill for almost
6 \$900, because the water was on and somebody evidently
7 was turning around and, whatever, burst the pipe, and it
8 was almost \$1,000. And I told them, I said, "It's not
9 my fault." I said, "I told you to turn the thing off of
10 it. I'd already turned it off at the meter myself."
11 And I said, "Somebody else evidently came out there and
12 turned it back on, for some reason. I don't know why."
13 But I said, "I shouldn't be responsible for that,
14 because I told you all that I didn't want it on anymore
15 and I had turned it off."

16 And somebody had gone out there -- and I found out
17 what it was -- they had burst the line somewhere between
18 the tank, which is two doors over from this particular
19 house. This particular house was 2128 Glen Road. And
20 in doing so, they wanted to clean the lines out,
21 evidently, and they turned everything on, but what they
22 didn't know is, during that period of time, I had opened
23 the valve where the water heater was, and all this, so
24 that -- I'd already done everything. Then they opened
25 the thing up to clean out the lines, and it all ran

1 through them, and yet they were giving me a bill of
2 almost \$1,000. And I went crazy with them, and I told
3 them I wasn't going to pay it.

4 **Q** What is the status now? Are they still trying to
5 collect?

6 **A** I ended up settling with them. We cut it in half. It
7 cost me about \$500, which was my responsibility.

8 **Q** When you mentioned the thing when you're looking at the
9 meter itself, and you think that they're not reading the
10 meter, and you said you wrote down the numbers for your
11 house? Did the numbers ever match?

12 **A** They did when I had it cleaned out and they could see
13 them.

14 **Q** Thank you.

15 **A** Thank you.

16 **WITNESS:** Okay?

17 **CHAIRMAN HOWARD:** Just a minute.

18 Commissioners, any --

19 [Applause]

20 **WITNESS:** [Indicating.]

21 **CHAIRMAN HOWARD:** -- questions for Mr. Weston?

22 [No response]

23 Mr. Weston, you may step down.

24 [Laughter]

25 **WITNESS:** Thank you.

1 **CHAIRMAN HOWARD:** Thank you.

2 [WHEREUPON, the witness was excused.]

3 **MR. DONG:** Ruth Neely?

4 **MS. NEELY:** Sir, I'd like to defer till
5 September 7th.

6 **MR. DONG:** Okay. Joel Neely?

7 **MR. NEELY:** I'll do the same.

8 **MR. DONG:** Okay. Karen Lowrimore?

9 [Witness sworn]

10 THEREUPON came,

11 **K A R E N L O W R I M O R E ,**

12 who, having been first duly sworn, testified as follows:

13 **WITNESS:** My name is Karen Lowrimore, L-o-w-r-
14 i-m-o-r-e. I live at 128 Penny Lane. That's in
15 the Woodcastle subdivision. I've been there for 21
16 years. And for 21 years, I've not been able to
17 drink my water.

18 I've had flow problems. My icemaker has never
19 worked correctly, and it's a relatively new
20 icemaker and refrigerator. My monthly bill or
21 balance varies very little, so I question whether
22 the meter is actually being read. My concern about
23 saying all this in this room tonight is, I'm
24 waiting, you know, the next week or so, to get a
25 bill -- because they've re-read my meter and it's

1 been wrong all this time -- some retribution, to be
2 perfectly honest with you about it. I'm worried
3 about that.

4 Also my gallons-used varies very little. I
5 don't water my lawn at all. I don't wash my car.
6 It's just me and two dogs. I don't wash clothes
7 every day. I use my dishwasher when it is full,
8 and I do mean full, and that may be once a week.
9 Less often than that, mostly. I cook very little,
10 because it is just me. One time I had an
11 extraordinary bill and I called Carolina Water
12 Service and was told, "You probably have a leak,"
13 so I paid a plumber, he came out to the house,
14 confirmed I did not have a leak. And I've not had
15 any problems with standing water or any water under
16 the house or water damage. Termite inspections
17 have been fine, et cetera. Still, I think the
18 amount of water they say I use, just me, is too
19 high, because I don't use water that much.

20 The other thing that has really shocked me --
21 and I think it's only logical to expect your water
22 bill to go down when the occupancy of your
23 household is cut in half -- in December of 2005 the
24 occupancy of my household was cut in half, left me
25 there. My water bill has not changed. The

1 gallons-used has not changed. My ex, he would
2 water the lawn; he would wash his truck. There was
3 a lot more water used. Most of the time, he washed
4 towels every day because he had to have a clean
5 towel after a shower. So there was a whole lot
6 more cooking going on, laundry, watering the lawn,
7 and washing vehicles that does not occur now. All
8 that, in addition to the fact that I still cannot
9 stand the smell nor the taste of the water that
10 comes out of the spigot. I basically do not use
11 it. I hate giving it to my dogs, but I do. I use
12 it to cook with, grudgingly. Thank you.

13 **CHAIRMAN HOWARD:** Thank you. Mr. Elliott.

14 **MR. ELLIOTT:** I would thank Ms. Lowrimore for
15 coming out, and it sounds like the meter situation
16 may be resolved, but if there's anything else we
17 can do, you know, we have customer service
18 downstairs, as I think everybody is aware by now.

19 **WITNESS:** Thank you.

20 **MR. ELLIOTT:** And I would invite you to stop
21 by and see those ladies.

22 **WITNESS:** If they can improve the quality of
23 the water, I'll have a conversation with them.

24 **MR. ELLIOTT:** Well, touch base with them.

25 **WITNESS:** Okay.

1 **CHAIRMAN HOWARD:** Ms. Edwards.

2 **CROSS EXAMINATION**

3 **BY MS. EDWARDS:**

4 **Q** Good evening. Have you had your meter tested or has the
5 company come out and tested your meter?

6 **A** Not to my knowledge.

7 **Q** Not to your knowledge. Would you mind touching base
8 with Mr. Kirby, and maybe --

9 **A** Certainly, no problem.

10 **Q** -- that might be something that might could be done,
11 just to see? I understand your concern that the meter
12 may not be being read. Is that right?

13 **A** Yes, because it's very -- the usage is very consistent.

14 **MS. EDWARDS:** Thank you.

15 **CHAIRMAN HOWARD:** Commissioners, any questions
16 of Ms. Lowrimore?

17 [No response]

18 Ms. Lowrimore, thank you very much for coming.

19 **WITNESS:** Thank you one and all.

20 [Applause]

21 [WHEREUPON, the witness was excused.]

22 **MR. DONG:** Laura Valtosky? Laura Valtorta?

23 [No response]

24 Timmie Powers?

25 [No response]

1 Amanda Mears?

2 [No response]

3 Kecia Ansley.

4 [No response]

5 **MS. HARLEY:** Kecia Harley?

6 **MR. DONG:** I'm sorry, I have Ansley down here,
7 but that probably is you.

8 **MS. HARLEY:** H-a-r-l-e-y?

9 **MR. DONG:** Perhaps. I can't read the
10 handwriting.

11 **MS. HARLEY:** I just want to make sure I'm the
12 right person.

13 **MR. DONG:** I'm sure you are.

14 **MS. HARLEY:** Okay.

15 [Witness sworn]

16 THEREUPON came,

17 **K E C I A H A R L E Y ,**

18 who, having been first duly sworn, testified as follows:

19 **WITNESS:** My name is Kecia Harley, and I
20 reside at 113 Sweet Springs Court, ZIP Code 29073.

21 And on three separate occasions -- first of
22 all, I was able to purchase my first house three
23 years ago, before the economy went and tanked. I
24 was very proud of being able to purchase a house.
25 My neighbors told me, said that it's a good

1 neighborhood, nice cul-de-sac; it's just the water
2 bills. You know, I didn't pay any attention to it.

3 On three separate occasions, I called. And
4 first of all, I'll let you know I work at a TV
5 station. So I called Carolina Water Service's home
6 offices and asked them how come I got a bill for
7 \$179 one month; the next month I get one for \$67.
8 And when I called them and questioned them about
9 it, "Oh, well, your balance is only \$8." And I can
10 get the canceled check to show where I wrote an \$8
11 water bill. And that was kind of ludicrous.

12 So, I just happened to be on vacation for a
13 couple of weeks. And I'm sitting in the den, and I
14 can see outside. And I see the little truck come
15 by and I see the guy get out. And he lifts up the
16 meter reader and he puts it back down. So I walked
17 outside; I said, "Are you going to read that?" He
18 said, "It's estimated." So I said, "Okay, that's
19 fine." So I go out and I lift it up, and it's this
20 much [indicating] water in it. That was the first
21 occasion.

22 Second occasion, we had some friends at the
23 house and when there's more than two cars in the
24 cul-de-sac you have to park like on the curb.
25 Well, the meter that the cover is right there, his

1 truck tire was on there. He came, he looked, he
2 punched numbers in. Three people witnessed him
3 punch numbers in, and then the next month I get
4 this bill for \$100-and-some. But when you call
5 customer service, they're like, "Well, I'm sorry,
6 ma'am, but, you know, we estimate everything." I
7 said, "Well, you know, when I go buy gas and I pump
8 it in my car, if I put \$20 in, I'm going to get \$20
9 worth of gas. They're not going to estimate and
10 give me an extra gallon or not." I said, "When you
11 go to the grocery store and you buy food, they're
12 not going to estimate how much it's going to cost.
13 When I make my mortgage each month, Bank of America
14 wants me to pay the \$1,000 that I owe them. I
15 can't estimate how much it's going to cost." So
16 how can they estimate what my bill is going to be,
17 and then justify to say when I make the statement
18 to say that, "Well, I'm calling from a television
19 station; I work for CBS. This would be an
20 interesting story for *60 Minutes* to do," "Oh,
21 well, ma'am, let me get someone to talk to you"?
22 You don't want to have to -- not say threaten a
23 person, but you've got a little lady that lives
24 across the street that's on a fixed income; she got
25 double billed. They didn't reimburse her. They

1 gave her a [indicating] "credit." I was livid, for
2 the separate reason why she's on a fixed income. I
3 get paid twice a month. I can adjust my bills, but
4 she can't. What did -- did they reimburse her? I
5 don't think they have, not as of today. She's
6 unable to come today, but like I told her, I would
7 mention that.

8 But my concern is this: If SCE&G bills me, or
9 Carolina Water Services, whomever, my credit card,
10 they'll bill me every 28 days or every 30 days.
11 It's not no every 43 days or 16 days. Why can't
12 they get their billing practices on a 30-day cycle?
13 We all pay our bills on 30 days. That's my
14 question. You know, the usage of the water, it's
15 mind-boggling, because when you -- when I lived in
16 Cayce and there was a spill that contaminated
17 Cayce's water and they had to buy water, I never
18 had a \$100 water bill. The highest water bill I
19 ever had in Cayce was \$44 when they were buying
20 water and pumping it over for us to use. I lived
21 in West Columbia; I never had a high water bill. I
22 get here and I'm like, "Oh, don't let me..." -- the
23 plumber comes out. I've got a drip. I've got to
24 get that fixed, because I know that little tiny
25 drip is going to cost me an arm, a leg, and half of

1 my upper body.

2 So they want 80 percent. Do they not know
3 that their pipes needed work done awhile back? If
4 your car needs work done to it, don't you take it
5 and have it serviced? They're not servicing the
6 pipes in between, and all of a sudden now the pipes
7 are corroded, they've got to be replaced. Why
8 can't they have done that, like we do, on a budget?
9 You know, like the lady said earlier, the CEO, I'd
10 like to know what kind of price he has. You know,
11 can I come move in with him and wash my clothes at
12 his house? You know, it's totally inappropriate
13 for them to sit and want 80 percent, the way the
14 economy is today. Why don't they cut management?
15 A lot of companies have gotten rid of departments
16 to readjust their income, so that they can make
17 their bills. Why can't they cut some of the
18 overhead up top?

19 [5-minute alarm]

20 You know, why can't the CEO take a pay
21 increase [sic]? I did. I'm still working, though.
22 I just had to readjust my ducks, so that I could be
23 able to live from day to day. So 80 percent, if
24 you take \$100 water bill and add that, that's
25 almost \$200; that's more than my power bill. You

1 know, so what's the American dream, to be drained
2 out of me?

3 Once again, that's all I have to say again.
4 But like I said, they need to read the water meter.
5 Dip the water out and write it down, not estimate.
6 Thank you.

7 [Applause]

8 **CHAIRMAN HOWARD:** Ms. Harley, just a minute.

9 **WITNESS:** Yes.

10 **CHAIRMAN HOWARD:** Mr. Elliott.

11 **MR. ELLIOTT:** I just want to thank Ms. Harley
12 for coming. There are people here in the room that
13 can talk to you about your estimated bills, and so
14 forth, so if you would like to stay, I can get you
15 some answers.

16 **WITNESS:** Okay. I'll do that.

17 **MR. ELLIOTT:** Thanks.

18 **CHAIRMAN HOWARD:** Ms. Edwards.

19 **CROSS EXAMINATION**

20 **BY MS. EDWARDS:**

21 **Q** Good evening. I wanted to ask about the estimated
22 billing. Was it noted -- I mean, other than your
23 observation, was it noted on your bill?

24 **A** It started in February 2009.

25 **Q** Okay.

1 **A** February 2009, I get a bill --

2 **MR. DONG:** Ms. Harley, I hate to interrupt.

3 Could you get to the microphone so that we can make
4 a record for the court reporter?

5 **WITNESS:** Okay.

6 **MR. DONG:** Thank you.

7 **WITNESS:** It started in February -- the notice
8 -- what really made me notice of it was February of
9 2009 when I got a bill and I'm saying, you know,
10 why is this water bill so high? Because I wanted
11 to keep track of everything. And then I look at
12 the other bills, and then I don't get a bill. And
13 she says, "Well, you know, our computers are down.
14 We got a new system." That's not my problem that
15 they got a new system and the people that's working
16 there don't know how to -- they need a trainer.
17 You know, I get a new computer at work, a new
18 program, I'm trained on it. I can't tell our
19 viewers that, "Oh, I'm sorry the program is not
20 coming in today because so-and-so is going on."
21 They don't want to hear that; they want to see
22 what's on TV.

23 So they should be able to do their billing
24 correctly, balance their books, get me my bill in
25 time and not have a double bill, because if you

1 don't look at it, you'll write a check for \$100-
2 and-some dollars and not even think about it. And
3 you think they're going to give me a reimbursement?
4 No. A credit. A credit won't pay my other bills
5 that the \$79 that I needed to buy food with. I
6 can't go to Piggly Wiggly and say, "Will you give
7 me a credit for this?" You see what I'm saying?

8 Pay -- do your billing every -- why can't they
9 do a billing cycle? That's all. Do a billing
10 cycle. If my bill is due on the 1st, then the next
11 month I know it's due on the 1st. And when I mail
12 it, do not let it lay on somebody's desk for four
13 or five days and ding me with the late charge
14 because it sat on somebody else's desk, because I
15 mail my bills ten days out. So if it's due on the
16 16th, then they've got it, so why-come it's not
17 posted until the 19th? So why was it -- where was
18 it laying for two weeks?

19 **BY MS. EDWARDS:**

20 **Q** Going back to the estimated, did it show up on your bill
21 like with an "E" saying "estimated" or was it --

22 **A** No.

23 **Q** Okay.

24 **A** No.

25 **Q** So was it through your conversations with the --

1 **A** Yeah.

2 **Q** -- that they admitted that it was estimated?

3 **A** Uh-huh. And she said -- she said, "Well, they just --
4 as the guys go out, they have to estimate sometimes if
5 they can't get to it." I said, "Well, why can't they
6 come back out and reread it?"

7 **Q** How many times do you think that --

8 **A** At least on three occasions.

9 **Q** On three -- three --

10 **A** And that's in 2009.

11 **Q** And in the 12-month period of 2009.

12 **A** On three occasions.

13 **Q** Hold on one second. Would it be possible for us to get
14 copies of your bills?

15 **A** I can start it from the day I signed the contract to
16 Carolina Water Service, to today.

17 **Q** How about just from February 2009 up to today, if you
18 have it?

19 **A** Yeah. I can fax them. You give me a fax number and I
20 can fax them to you. That won't be a problem.

21 **Q** If you could see Mr. Kirby, he's got a card.

22 **A** Uh-huh.

23 **MS. EDWARDS:** And Mr. Chairman, if it would be
24 all right, I'd like to ask for another late-filed
25 exhibit.

1 **CHAIRMAN HOWARD:** Fine. The late-filed
2 exhibit will be Hearing Exhibit No. 9 of Ms.
3 Harley's bills.

4 **WITNESS:** Good.

5 **MS. EDWARDS:** Thank you.

6 **CHAIRMAN HOWARD:** Ms. Harley, just a minute.
7 Commissioners, any questions of Ms. Harley?

8 [No response]

9 Ms. Harley, thank you very much.

10 **WITNESS:** Thanks again.

11 [Applause]

12 [WHEREUPON, the witness was excused.]

13 **MS. STAMMIRE:** I wanted to let you know, I
14 went downstairs and talked to customer service, and
15 they could not inform me how much the CEO makes at
16 Carolina Water. But they were very nice. So I
17 just want to say thank you, but -- appreciate the
18 offer, but they couldn't give me the information I
19 needed. Thank you.

20 **MR. ELLIOTT:** If it's not confidential, there
21 are other people here in the building that could
22 address her other issues.

23 **MR. DONG:** Weaver Grayson?

24 [No response]

25 Jill Reinhart?

1 [No response]

2 Helen Smith?

3 [Witness sworn]

4 THEREUPON came,

5 H E L E N S M I T H ,

6 who, having been first duly sworn, testified as follows:

7 WITNESS: My name is Helen B. Smith, and I
8 live at 216 Thackeray Lane -- T-h-a-c-k-e-r-a-y
9 Lane -- and that's in Lexington, Woodcastle
10 subdivision, 29073. I've been there since December
11 31, 1977. I've been with Carolina Water Service
12 since that day.

13 All those many years, many years, I've had a
14 number of problems that have ranged from high water
15 bills, to inconsistent water bills -- as we've
16 heard from others, double billing, triple billing,
17 backups, poor water service, low water pressure,
18 smelly water. At least twice a year, like the
19 gentleman said before, I'm having to replace the
20 showerheads and the faucets.

21 I was doing this -- my late husband and I
22 raised two sons there. When the sons had grown up
23 and moved away, it was just my husband and myself,
24 up until two years ago. He went in the hospital in
25 June of 2009, okay? I was not living in the house;

1 I moved closer to be at the VA Hospital where he
2 was, because I was there every day. He was in that
3 hospital for over six weeks. Was not in the house
4 at 216 Thackeray Lane. Water was not on, nothing
5 was being used whatsoever, and still was getting an
6 anywhere from \$60-\$70-a-month, and sometimes
7 higher, water bill.

8 I did not move back when my husband passed
9 away in July. It's been two years, okay? I did
10 not move back in the house. It needed some work.
11 It was -- just -- I just could not go back in the
12 house for a while. Did not go back in that house
13 for a year. I turned the water off on the inside.
14 I know how to turn the water off underneath the
15 toilets and also under the sinks. Nothing was
16 being done whatsoever. Not a toilet was flushed.
17 Still got a \$39-a-month sewage fee and then also
18 water on top of that.

19 Called Carolina Water Service and told them
20 I'm not in there, everything is turned off, and I'm
21 still getting it. "Ma'am, we're still showing
22 there's water in there." I had my brother-in-law,
23 who had the water key, to turn it off himself, and
24 I still got it.

25 I called back to Carolina Water Service and

1 said, "Hey, you know, I know it's off. This is not
2 right." I was told I was going to get a credit,
3 they'll have someone go out there and check it out.
4 Never heard anything else from them.

5 I finally told them, "Turn off the service. I
6 don't want -- you know, give me the final bill."
7 Finally, they turned off the service, and I didn't
8 get it. Didn't have a bill during that time.

9 We've been talking about the -- some of the
10 people -- about the inconsistency on the billing.
11 I've got my three latest bills here. Let's see,
12 number of days is 34; average daily use, 92
13 gallons. 92 gallons a day. That's average daily
14 use. It's just me, in a small house, okay? Don't
15 have the kids, don't have a dishwasher, don't have
16 a pool, don't water the lawn. You know, I go to
17 the car wash to get the car done. The next bill
18 says the number of days is 29 days; average, 84
19 gallons a day. The next month, the number of days
20 is 30; 89 gallons a month [sic]. And this is
21 ranging for the current -- let's see, February
22 24th, then March 25th, and then also April 24th.
23 The bills are running -- for 34 days, it was
24 \$67.63; for 29 days, it was \$65.12; for 30 days, it
25 was \$64.50.

1 That is outrageous, for me. I don't use that
2 much water. I know you've heard that, but I don't.
3 I do not use \$39 a month of a wastewater service.
4 I think that's outrageous to charge that. I
5 checked. I work at Nelson Mullins Law Firm, so I
6 checked with a lot of people around there to see
7 where they live and what they pay, average, each
8 month. I have one lady with the City of Columbia.
9 She's averaging \$35-\$40 a month. Another one is
10 averaging, again, \$38-\$40 a month. One of the
11 attorneys, who is in an over-3,500-square-foot
12 house, seven-tenths of an acre; water, sewer, has
13 irrigation; and his most recent bill, \$72.38.
14 That's with him and two small children. You know
15 she's doing -- that's one of the children being in
16 diapers. You know they're doing a lot of laundry
17 and everything. \$72.38, and mine is \$65, \$64, \$67.
18 It is outrageous. It's unconscionable.

19 I heard someone else talking about that, on
20 his consumption history and billing history -- the
21 nice little charts that are on here [indicating]?
22 Those are hogwash. He said, "Oh, it looks like
23 next month it's going to be, you know, \$100." I've
24 got it showing right here that on March 1st, that
25 my billing history was going to be over \$120 --

1 okay? -- and that I would've used over 5,000
2 gallons. But on my March bill right here, it says,
3 no, hm-mm, excuse me, I used 2,450 gallons and it
4 was \$65.12. These charts on here are absolutely
5 worthless and useless. I mean --

6 [5-minute alarm]

7 -- it just doesn't work. It ain't right.
8 Thank you.

9 And it's fine and dandy that they're here now.
10 Like Jackie Knotts said, where are they the rest of
11 the time? There needs to be an office here. And
12 they can't help me now to answer that; their butts
13 need to be in this State, have an office, at least
14 open five days a week.

15 **MR. ELLIOTT:** Well, I appreciate your coming.

16 **WITNESS:** Thank you, very much.

17 **MR. ELLIOTT:** Okay? And you've got to walk
18 past them to get to your car, so --

19 **WITNESS:** Oh, that's fine, but --

20 [Laughter]

21 **MR. ELLIOTT:** -- I would --

22 **WITNESS:** -- there's nothing they can do.

23 **MR. ELLIOTT:** All right.

24 **CHAIRMAN HOWARD:** Ms. Edwards.

25 **MS. EDWARDS:** Thank you for your testimony.

1 **WITNESS:** Okay. [Indicating.]

2 **CHAIRMAN HOWARD:** Just a minute.

3 [Applause]

4 Commissioners?

5 [No response]

6 Ms. Smith, you may be seated.

7 [Laughter]

8 **WITNESS:** Oh, okay. Sorry about that.

9 [WHEREUPON, the witness was excused.]

10 **MR. DONG:** I've reached the end of my list.

11 Would anyone else need -- like to be heard tonight?

12 **VOICE:** I was wondering why I wasn't called.

13 **MR. DONG:** Sure.

14 **VOICE:** Saving the best for last.

15 **VOICE:** There you go. There you go.

16 [Witness affirmed]

17 THEREUPON came,

18 **J E A N O ' C O N N O R ,**

19 who, having been first duly affirmed, testified as follows:

20 **WITNESS:** My name is Jean O'Connor, O-C-o-n-
21 n-o-r. I'm at 171 Sandy Creek Court in the Town of
22 Pine Ridge. I live in the Sandy Oaks neighborhood,
23 been there for five years.

24 To my knowledge, we have never -- and I say
25 never, in five years -- passed a water quality

1 test. I know that the regulatory folks were out
2 there. They have fined Carolina Water on numerous
3 occasions. I think I need to take stock in Pepto-
4 Bismol, because the water is so bad. They might
5 pass, recently. We have so much chlorine in our
6 water, I can take a shower in the morning, show up
7 at the Department of Revenue, and get asked if I
8 was out swimming before I came to work.

9 I can't use the ice-cube maker, can't use the
10 water for drinking. I have to buy water and ice at
11 the food store. There are approximately 50 homes
12 in our neighborhood. It's not fully built out.
13 Most of them would've liked to be here tonight.
14 They all feel the same way. The period of never
15 passed a water-quality definitely falls within your
16 test period. When I received the notice for this
17 hearing, I also got it with my bill; the rate
18 increase they're asking for was on that bill.

19 I often receive two and three bills in a
20 month. I just take the lowest one and throw the
21 others in the trash. I've not been charged a late
22 fee. I hear a lot of comments about boiling-water
23 advisories, and that kind of scares me, because
24 we've never had one. All we get is, "We're
25 flushing the lines." I hope we're not supposed to

1 be boiling our water. It's really, really bad.

2 I hope that you will deny this request. I did
3 check with relatives throughout the country --
4 being Kansas, Colorado, North Carolina. Per
5 quarter, the highest bill I found, in Colorado, for
6 water, sewer, and trash service combined for three
7 months, was \$52. Thank you.

8 **CHAIRMAN HOWARD:** Mr. Elliott.

9 **MR. ELLIOTT:** We thank Ms. O'Connor for
10 coming, and you are the last person, and I really
11 would be remiss if I didn't invite you to --

12 [Laughter]

13 -- take up your questions downstairs, so --

14 **WITNESS:** Thank you kindly.

15 **MR. ELLIOTT:** -- please feel free.

16 **WITNESS:** Thank you.

17 **CHAIRMAN HOWARD:** Ms. Edwards.

18 **MS. EDWARDS:** Yes, I just wanted to follow up
19 on one or two items.

20 **CROSS EXAMINATION**

21 **BY MS. EDWARDS:**

22 **Q** First off, we have Michael T. at --

23 **A** Correct.

24 **Q** -- at 171 --

25 **A** He's the homeowner.

1 Q Okay. All right.

2 A I live there, too.

3 Q Okay. Thank you.

4 A I pay the water bill.

5 Q You pay the water bill. Well, that's a good --

6 A And the sewer bill.

7 Q And the sewer bill. You mentioned the water testing or
8 quality of water?

9 A Yes, ma'am.

10 Q DHEC actually does that water testing. Do you know
11 when, approximately, they did this survey? Was it done
12 recently or --

13 A Which survey? The one -- the report that came out where
14 they fined them so much? It was last year.

15 Q It was last year?

16 A Yes, ma'am.

17 Q Okay. Thank you. No other questions, thank you.

18 A Thank you.

19 CHAIRMAN HOWARD: Commissioners, any questions
20 of Ms. O'Connor?

21 [No response]

22 Ms. O'Connor, thank you for coming.

23 WITNESS: Thank you.

24 [Applause]

25 [WHEREUPON, the witness was excused.]

1 **CHAIRMAN HOWARD:** Would anyone else like to
2 testify?

3 [No response]

4 If not, I want to thank all of you for coming
5 and enduring the crowd and the heat. The merits
6 hearing we'll have September 7th, at our office --
7 which is at Synergy Office Building, 101 Executive
8 Park Drive. Like I say, that's the intersection,
9 just about, of Bush River Road and I-20. Thank you
10 for coming. Thank you for your patience. And we
11 look forward to seeing you at the hearing. Thank
12 you much.

13 [WHEREUPON, at 9:05 p.m., the hearing in
14 the above-entitled matter was adjourned.]


15
16 [WHEREUPON, Late-filed Hearing Exhibit
17 Nos. 7 and 9 were marked for
18 identification and received in evidence
19 upon receipt of same, on or about July
20 21, 2011.]

21 [WHEREUPON, Late-filed Hearing Exhibit
22 No. 4 shall be marked for identification
23 and received in evidence upon receipt of
24 same.]


C E R T I F I C A T E

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, do hereby certify that the foregoing is, to the best of my skill and ability, a true and correct transcript of all the proceedings had and testimony adduced in an evening public hearing held in the above-captioned matter before the Public Service Commission of South Carolina;

IN WITNESS WHEREOF, I have hereunto set my hand on this the 10th day of August, 2011.


Jo Elizabeth M. Wheat, CVR-CM-GNSC

ATTEST:



Jocelyn G. Boyd,

CHIEF CLERK/ADMINISTRATOR